

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		5. MINERAL LEASE NO: <u>UT10003-00</u>	6. SURFACE: Fee
2. NAME OF OPERATOR: SLATE RIVER RESOURCES, LLC		7. IF INDIAN, ALLOTTEE OR TRIBE NAME: 	
3. ADDRESS OF OPERATOR: 418 E. MAIN ST CITY <u>VERNAL</u> STATE <u>UT</u> ZIP <u>84078</u>		8. UNIT or CA AGREEMENT NAME: 	
4. LOCATION OF WELL (FOOTAGES): AT SURFACE: <u>1787' FNL & 2108' FEL</u> <u>619392X</u> <u>39. 717914</u> AT PROPOSED PRODUCING ZONE: <u>SAME AS ABOVE</u> <u>439716Y</u> <u>-109.607084</u>		9. WELL NAME and NUMBER: Uintah Oil Assoc. 1321-6G 10. FIELD AND POOL, OR WILDCAT: <u>Wildcat</u> 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 6 13S 21E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 68.6 MILES SOUTH OF VERNAL, UT		12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1721'	16. NUMBER OF ACRES IN LEASE: 2,038.96	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 1700'	19. PROPOSED DEPTH: 8,000	20. BOND DESCRIPTION: B-001556	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5824.6' GR	22. APPROXIMATE DATE WORK WILL START: 4/1/2005	23. ESTIMATED DURATION: 30 DAYS	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4	9 5/8 H-40 32#	2,000	CEMENT "V" 180 SKS 3.82CF 15.8PPG
			CEMENT "G" 225 SKS 1.15 CF 15.8 PPG
7 7/8	4 1/2 , M-80 11.6#	8,000	PREMIUM CEMENT 140 SKS 3.82 CF 11.0 PPG
			CLASS "G" 580 SKS 1.26 CF 14.15 PPG

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN <input checked="" type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER
--	---

NAME (PLEASE PRINT) GINGER STRINGHAM TITLE AGENT
 SIGNATURE *Ginger Stringham* DATE 3/11/2005

RECEIVED
MAR 09 2005

(This space for State use only)

API NUMBER ASSIGNED: 43-047-36370

APPROVAL:

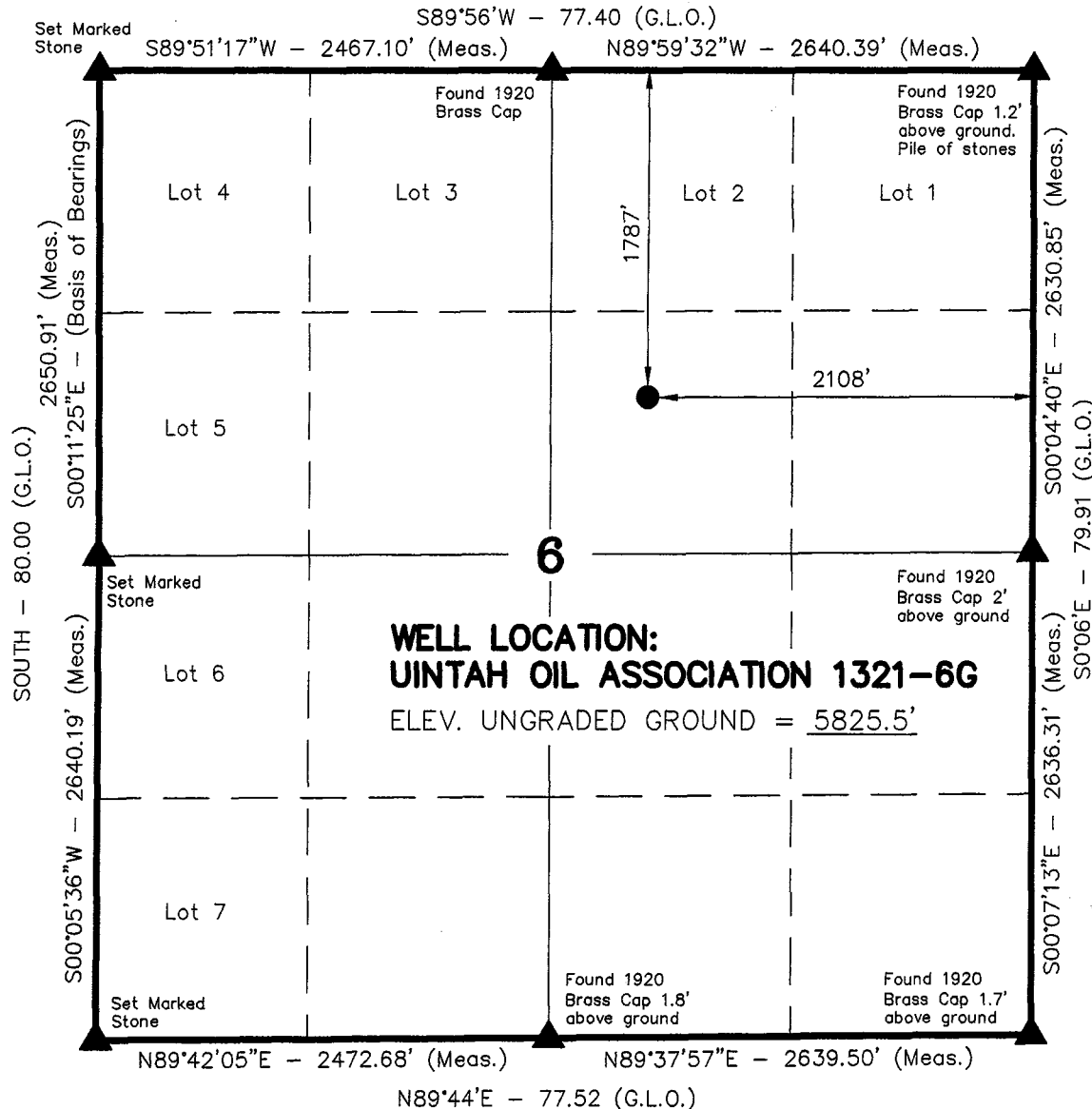
CONFIDENTIAL

DIV. OF OIL, GAS & MINING

T13S, R21E, S.L.B.&M.

SLATE RIVER RESOURCES, LLC

WELL LOCATION, UTAH OIL ASSOCIATION
1321-6G, LOCATED AS SHOWN IN THE SW
1/4 NE 1/4 OF SECTION 6, T13S, R21E,
S.L.B.&M. UTAH COUNTY, UTAH.



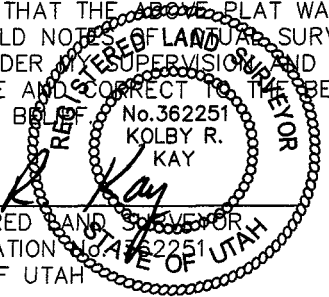
NOTES:

1. Well footages are measured at right angles to the Section Lines.
2. Bearings are based on Global Positioning Satellite observations.



WELL LOCATION:
UTAH OIL ASSOCIATION 1321-6G
ELEV. UNGRADED GROUND = 5825.5'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF LAND SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.



TIMBERLINE LAND SURVEYING, INC.

38 WEST 100 NORTH. - VERNAL, UTAH 84078
(435) 789-1365

▲ = SECTION CORNERS LOCATED

BASIS OF ELEVATION IS BENCH MARK 66 WF 1952
LOCATED IN THE NE 1/4 OF SECTION 6, T13S, R21E,
S.L.B.&M. THE ELEVATION OF THIS BENCH MARK IS
MARKED ON THE AGENCY DRAW NE 7.5 MIN.
QUADRANGLE AS BEING 5812'.

UTAH OIL ASSOCIATION 1321-6G
(Proposed Well Head)
NAD 83 Autonomous
LATITUDE = 39° 43' 04.6"
LONGITUDE = 109° 36' 28.2"

DATE SURVEYED: 2-24-05	SURVEYED BY: K.K.	SHEET 1 OF 10
DATE DRAWN: 2-27-05	DRAWN BY: J.R.S.	
SCALE: 1" = 1000'	Date Last Revised:	

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DEPARTMENT OF NATURAL RESOURCES
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3. ADDRESS OF OPERATOR: 418 E. MAIN ST CITY VERNAL STATE UT ZIP 84078				10. FIELD AND POOL, OR WILDCAT: Wildcat	
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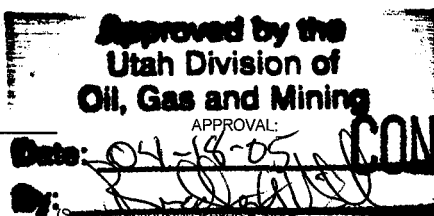
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					CLASS "G"	580 SKS	1.26 CF 14.15 PPG

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NAD 83 Autonomous
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 LONGITUDE = 109° 36' 28.2"

Slate River Resources
418 E. Main
Vernal, UT 84078
435-781-1871

Please hold all information associated with this Application for Permit to Drill
confidential for one year.

RECEIVED
MAR 09 2005
DIV. OF OIL, GAS & MINING

UT10001.000

Eagle Minerals Ltd. Oil and Gas Lease

Dated February 1, 2005

Recorded Book 914, Page 535 Uintah County, Utah

DESCRIPTION OF LEASED PREMISES:

TOWNSHIP 12 SOUTH, RANGE 20 EAST, S.L.M.

Section 21:	All (640.00 acres)	Serial Number: 10:079:0001
Section 22:	All (640.00 acres)	Serial Number: 10:080:0001
Section 23:	All (640.00 acres)	Serial Number: 10:081:0001
Section 24:	W/2 (320.00 acres)	Serial Number: 10:082:0001
Section 25:	W/2 (320.00 acres)	Serial Number: 10:083:0001
Section 26:	All (640.00 acres)	Serial Number: 10:084:0001
Section 27:	All (640.00 acres)	Serial Number: 10:085:0001
Section 28:	All (640.00 acres)	Serial Number: 10:086:0001
Section 29:	All (640.00 acres)	Serial Number: 10:087:0001
Section 35:	All (640.00 acres)	Serial Number: 10:089:0001

TOWNSHIP 12 SOUTH, RANGE 21 EAST, S.L.M.

Section 31:	Lots 3, 4, E/2SW/4 (SW/4) (149.66 acres)	Serial Number: 10:093:0002
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TOWNSHIP 13 SOUTH, RANGE 20 EAST, S.L.M.

Section 1:	Lots 1,2,3,4, S/2N/2, S/2 (All) (640.24 acres)	Serial Number: 11:004:0001
Section 3:	Lots 1,2,3,4, S/2N/2, S/2 (All) (641.80 acres)	Serial Number: 11:005:0001
Section 4:	Lots 1,2,3,4, S/2N/2, S/2 (All) (642.00 acres)	Serial Number: 11:006:0001
Section 5:	Lots 1,2,3,4, S/2N/2, S/2 (All) (641.40 acres)	Serial Number: 11:007:0001
Section 6:	Lots 1,2,3,8,10,11,13, S/2 NE/4, SE/4NW/4, E/2SW/4, SE/4 (585.52 acres)	Serial Number: 11:008:0001
Section 7:	Lots 2,3,4,5, E/2W/2, E/2 (All) (636.15 acres)	Serial Number: 11:009:0001
Section 8:	All (640 acres)	Serial Number: 11:010:0001
Section 9:	All (640 acres)	Serial Number: 11:011:0001
Section 10:	All (640 acres)	Serial Number: 11:012:0001
Section 11:	All (640 acres)	Serial Number: 11:013:0001
Section 12:	All (640 acres)	Serial Number: 11:014:0001
Section 13:	All (640 acres)	Serial Number: 11:015:0001
Section 14:	All (640 acres)	Serial Number: 11:016:0001
Section 15:	E/2 (320 acres)	Serial Number: 11:017:0001
Section 22:	E/2 (320 acres)	Serial Number: 11:018:0001
Section 23:	All (640 acres)	Serial Number: 11:019:0001
Section 24:	All (640 acres)	Serial Number: 11:020:0001
Section 25:	All (640 acres)	Serial Number: 11:021:0001
Section 26:	All (640 acres)	Serial Number: 11:022:0001
Section 27:	NE/4 (160 acres)	Serial Number: 11:023:0001

TOWNSHIP 13 SOUTH, RANGE 21 EAST, S.L.M.

Section 6:	Lots 3,4,5,6,7, SE/4NW/4, E/2SW/4 (W/2) (299.60 acres)	Serial Number: 11:026:0002
Section 7:	Lots 1,2,3,4, E/2W/2 (W/2) (300.28 acres)	Serial Number: 11:027:0002
Section 18:	Lots 1,2,3,4, E/2W/2 (W/2) (301.64 acres)	Serial Number: 11:033:0001
Section 19:	Lots 1,2,3,4, E/2W/2 (W/2) (303.44 acres)	Serial Number: 11:034:0001
Section 30:	Lots 1,2,3,4, E/2W/2 (W/2) (304.80 acres)	Serial Number: 11:038:0001
Section 31:	Lots 1,2, E/2NW/4 (NW/4) (153.27 acres)	Serial Number: 11:039:0001

UINTAH COUNTY, UTAH

containing a total of 19,199.80 acres, more or less

UT10002.000

Uintah Oil Association Oil & Gas Lease

Dated September 15, 2004

Recorded Book 904, Page 1 Uintah County, Utah

Description of Leased Premises

Township 12 South, Range 21 East

Sec 31: SE/4

Sec 32: S/2

Township 13 South, Range 21 East

Sec 5: Lots 2,3,4, S/2NW/4, SW/4NE/4, SW/4, W/2SE/4

Sec 6: Lots 1,2, S/2NE/4, SE/4

Sec 7: E/2

Sec 8: W/2, W/2NE/4, NW/4SE/4

Uintah County, Utah

2,038.96 acres

UT10003.000

Utah Oil Shales, Inc. Oil & Gas Lease

Dated September 15, 2004

Recorded Book 904, Page 9 Uintah County, Utah

Description of Leased Premises

Township 13 South, Range 21 East

Sec 4: Lots 1,2,3,4, S/2N/2, S/2

Sec 5: Lot 1, SE/4NE/4, E/2SE/4

Sec 8: E/2E/2, SW/4SE/4

Sec 9: All

Sec 16: W/2

Sec 17: E/2

Uintah County, Utah

2,278.69 acres

Ten Point Plan**Slate River Resources, LLC****Uintah Oil Association 1321-6G****Section 6, Township 13 South, Range 21 East, SWNE****1. Surface Formation**

Green River

2. Estimated Formation Tops and Datum:

<u>Formation</u>	<u>Depth</u>	<u>Datum</u>
Green River	Surface	5824.6' G.R.
Wasatch	2240'	3584.6'
Mesaverde	4740'	1084.6'
Castlegate	6720'	-895.4'
Mancos	7450'	-1625.4'
TD	8000'	-2175.4'

A 12 ¼ hole will be drilled to 2,000' +/- . The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

3. Producing Formation Depth:

Formation objective includes the Green River, Wasatch, Mesaverde and its sub-members.

Off Set Well information (Wells within a one-mile radius)

Drilling/Permitted:**Abandon Well:**

Mustang 1321-7F
 Mustang 1321-6C
 Mustang 1321-6N
 Uintah Oil Association 1321-7A
 Mustang 1320-12A
 Mustang 1320-1I
 Uintah Oil Association 1321-8C

UOA #1

4. Proposed Casing:

<u>Hole Size</u>	<u>Casing Size</u>	<u>Weight/FT</u>	<u>Grade</u>	<u>Coupling & Tread</u>	<u>Casing Depth</u>	<u>New/Used</u>
12 ¼	9 5/8	32#	H-40	ST&C	2000	NEW
7 7/8	4 ½	11.6#	M-80	LT&C	T.D.	NEW

Cement Program:

The Surface Casing will be cemented to the Surface as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:	9 5/8	Cement "V" Gel 16% BWOC Gilsonite 10#/sk Salt 3% BWOC GR-3 3#/sk Flocele ¼#/sk	180 sks +/-	3.82 ft³/sk	15.8 ppg
Tail:	9 5/8	Cement "G" Calcium Chloride 2% BWOC Flocele ¼ #/sk 0.1% R-3 2% Bentonite	225 sks. +/-	1.15 ft³/sk	15.8 ppg
Top Out:	9 5/8	Cement "G" Calcium Chloride 3%BWOC Flocele ¼ #/sk	100 sks +/-	1.15 ft³/sk	15.8 ppg

Production casing will be cemented to 2,000' or higher as follows:

	<u>Casing Size</u>	<u>Cement Type</u>	<u>Cement Amounts</u>	<u>Cement Yield</u>	<u>Cement Weight</u>
Lead:	4 1/2	Premium Cement 100% Gel 16% BWOC Salt 3% BWOC Gilsonite 10#/sk Flocele 1/4 #/sk GR-3 3#/sk	140 sks +/-	3.82ft ³ /sk	11.0 ppg
Tail:	4 1/2	Class "G" 50% POZ 50% Gel 2% BWOC Salt 10%BWOC Dispersant .2% BWOC Fluid loss .3% Flocele 1/4 #/sk	580 sks +/-	1.26ft ³ /sk	14.15 ppg

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3600 psi.

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 9 5/8" surface casing. The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

<u>Interval</u>	<u>Mud weight lbs./gal.</u>	<u>Viscosity Sec./OT.</u>	<u>Fluid Loss Ml/30 Mins.</u>	<u>Mud Type</u>
0-2000	Air/Mist	-----	No Control	Air/Air mist
2000-T.D.	8.4-12.0	30	8-10	Water/Gel

7. Auxiliary Equipment

Upper Kelly cock, full opening stabbing valve, 2 ½" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

- a) Test: None are anticipated.
- b) Coring: There is the possibility of sidewall coring.
- c) Sampling: Every 25' from 2000' to T.D.
- d) Logging:

Type	Interval
DLL/SFL W/GR and SP	T.D. to Surf. Csg
FDC/CNL W/GR and CAL	T.D. to Surf. Csg

9. Abnormalities (including sour gas):

No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H₂S.

10. Drilling Schedule:

The anticipated starting date is April 1, 2005. Duration of operations is expected to be 30 days.

SLATE RIVER RESOURCES, LLC

13 POINT SURFACE USE PLAN

FOR WELL

UINTAH OIL ASSOCIATION 1321-6G

LOCATED IN THE SW $\frac{1}{4}$ NE $\frac{1}{4}$

SECTION 6, TOWNSHIP 13 SOUTH, RANGE 21 EAST S.L.B.& M.

UINTAH COUNTY, UT

LEASE NUMBER: UT10003.000

SURFACE OWNERSHIP: FEE

1. Existing Roads:

**SLATE RIVER RESOURCES, LLC
Uintah Oil Association 1321-6G
Section 6, T13S, R21E, S.L.B.&M.**

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 88 APPROXIMATELY 17 MILES TO OURAY, UTAH; FROM OURAY, PROCEED IN A SOUTHERLY DIRECTION ALONG THE SEEP RIDGE ROAD (COUNTY B ROAD 2810) APPROXIMATELY 29.4 MILES TO ITS INTERSECTION WITH THE BUCK CANYON ROAD (COUNTY B ROAD 5460); EXIT RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION ALONG THE BUCK CANYON ROAD APPROXIMATELY 3.2 MILES TO WILLOW CREEK; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION ALONG THE WILLOW CREEK ROAD (COUNTY B ROAD 5120) APPROXIMATELY 2.1 MILES TO ITS INTERSECTION WITH THE AGENCY DRAW ROAD (COUNTY B ROAD 5340); EXIT LEFT AND PROCEED IN A WESTERLY THEN SOUTHERLY DIRECTION ALONG THE AGENCY DRAW ROAD APPROXIMATELY 2.5 MILES TO ITS INTERSECTION WITH THE FLAT ROCK ROAD (COUNTY B ROAD 5450); EXIT RIGHT AND PROCEED NORTHERLY ALONG A CLASS D COUNTY ROAD 0.3 MILES TO THE PROPOSED ACCESS ROAD; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 770 FEET TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 68.6 MILES.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads.

Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 770' +/- of new construction on lease. The road will be graded once per year minimum and maintained.

A) Approximate length	770 ft
B) Right-of-Way width	30 ft
C) Running surface	18 ft
D) Surface material	Native soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road Flagged	Yes
K) Access road surface ownership	Fee
L) All new construction on lease	Yes
M) Pipe line crossing	No

Please see the attached location plat for additional details.

An off lease Right-of-Way will not be required.

All surface disturbances for the road and location will be within the lease boundary.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

- | | |
|-----------------------------------|------|
| A) Producing well | None |
| B) Water well | None |
| C) Abandoned well | |
| UOA #1 | |
| D) Temp. abandoned well | None |
| E) Disposal well | None |
| F) Drilling /Permitted well | |
| Mustang 1321-6N | |
| Uintah Oil Association 1321-7A | |
| Mustang 1320-12A | |
| Mustang 1320-1I | |
| Mustang 1321-7F | |
| Mustang 1321-6C | |
| Uintah Oil Association 1321-8C | |
| G) Shut in wells | None |
| H) Injection well | None |
| I) Monitoring or observation well | None |

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Carlsbad Canyon or Olive Green** color. Facilities required to comply with

O.S.H.A. (Occupational Safety and Health Act) will be excluded.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

If the well is capable of economic production a surface gas line will be required.

Approximately 810' +/- of 3" pipeline would be constructed on Private Lands. The line would tie into the proposed pipeline in Section 6, T13S, R21E. The line will be strung and boomed to the southwest of the location.

An off lease Right-of-Way will not be required.

Please see the attached location diagrams for pipeline location. There will be no additional surface disturbances required for the installation of a gathering line.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

**Water for drilling and cementing
will come from Willow Creek
Permit # - T75377.**

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **8 ft.** deep and most of

the depth shall be below the surface of the existing ground Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 120 days after initial production. During the 120-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

A) Pad length	340 ft
B) Pad width	250 ft
C) Pit depth	8 ft
D) Pit length	160 ft
E) Pit width	60 ft
F) Max cut	12.9 ft
G) Max fill	5.5 ft
H) Total cut yds.	4,850 cu yds
I) Pit location	south side
J) Top soil location	north & west sides
K) Access road location	south side
L) Flare Pit	corner C

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is

attached to the top of the entire fence.

- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.

- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately **1,470** cubic yards of material. Topsoil will be stockpiled in one distinct pile.

Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the

area outside the dead men) will be re-contoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 120 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified. And left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Seed Mix

To be determined by surface owner or will reflect the native vegetation.

11. Surface ownership:

Access road	Fee
Location	Fee
Pipe line	Fee

12. Other information:

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of Sagebrush. Rabbit brush, Bitter Brush, and Indian Rice grass are also found on the location.

B) Dwellings:

There are no dwelling or other facilities within a one-mile radius of the location.

C) Archeology:

If, during operations, any archaeological or historical sites, or

any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites, will be suspended and the discovery reported promptly to the surface owner.

D) Water:

The nearest water is Willow Creek located approximately 2.5 miles to the East.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction
At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion
Prior to moving on the drilling rig.
- c) Spud notice
At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests

At least twenty-four (24) hours prior to initial pressure tests.

- f) First production notice
Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in **corner C** of the reserve pit out side the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative(s)

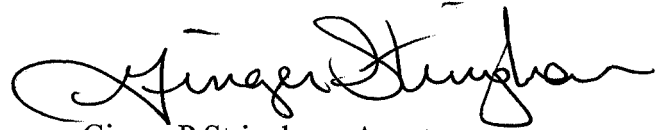
JT Conley
Slate River Resources, LLC
418 East Main ST
Vernal, UT 84078

Office 435-781-1871
Fax 435-781-1875

Ginger P Stringham, Agent
Paradigm Consulting, INC
PO BOX 790203
Vernal, UT 84079

Office 435-790-4163
Fax 435-789-0255

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.



Ginger P Stringham, Agent
Paradigm Consulting, INC

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

Onsite Dates:

B) Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be preformed by Slate River Resources, LLC and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date 3/7/05

RECEIVED
MAY 06 2004
WATER RIGHTS
VERNAL

TEMPORARY APPLICATION TO APPROPRIATE WATER

Rec. by SMW
 Fee Paid \$ 75.00
 Receipt # 04-01905

STATE OF UTAH

For the purpose of acquiring the right to use a portion of the unappropriated water of the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Title 73, Chapter 3, Utah Code Annotated 1953, as amended.

WATER RIGHT NUMBER: 49 - 2179

TEMPORARY APPLICATION NUMBER: T75377

(BMW)

1. OWNERSHIP INFORMATION:

LAND OWNED? No

A. NAME: A-1 Tank Rental and Brine Service
 ADDRESS: P. O. Box 1168
 Vernal UT 84078

B. PRIORITY DATE: May 6, 2004

FILING DATE: May 6, 2004

2. SOURCE INFORMATION:

A. QUANTITY OF WATER: 10.0 acre-feet

B. SOURCE: Willow Creek

COUNTY: Uintah

C. POINT OF DIVERSION -- SURFACE:

(1) N 150 feet W 650 feet from SE corner, Section 29, T 12S, R 21E, SLBM
 DIVERT WORKS: Pump into tank trucks and haul to place of use

D. COMMON DESCRIPTION: 30 miles southwest of Vernal

3. WATER USE INFORMATION:

OIL EXPLORATION: from May 15 to May 1 Drilling and completion of oil/gas wells
 in the south Ouray area.

Period of Use - May 15, 2004 to May 14, 2005.

4. PLACE OF USE: (which includes all or part of the following legal subdivisions:)

BASE	TOWN	RANG	SEC	NORTH-WEST¼				NORTH-EAST¼				SOUTH-WEST¼				SOUTH-EAST¼			
				NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE	NW	NE	SW	SE
SL	10S	21E		Entire TOWNSHIP															
SL	10S	22E		Entire TOWNSHIP															
SL	11S	21E		Entire TOWNSHIP															
SL	11S	22E		Entire TOWNSHIP															
SL	12S	21E		Entire TOWNSHIP															
SL	12S	22E		Entire TOWNSHIP															

Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals Subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

Ginger Stringham
Agent for Slate River Resources, LLC
Paradigm Consulting, INC
PO BOX 790203
Vernal, UT 84079

435-790-4163 Office
435-789-0255 Fax

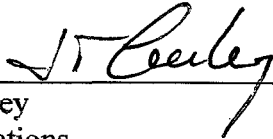
AFFIDAVIT OF SURFACE OWNER USE AGREEMENT

Slate River Resources, LLC has in place, agreements with the surface owners of the following leases. Slate River Resources, LLC is the operator and makes this certification that the agreements provide for management of the Fee surface lands under development.

Eagle Minerals Ltd. Oil and Gas Lease

Uintah Oil Association Oil & Gas Lease

Utah Oil Shales, Inc. Oil & Gas Lease



J.T. Conley
VP Operations
Slate River Resources, LLC
418 East Main
Vernal, UT 84078
435-781-1871

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 5

DESIGNATION OF AGENT OR OPERATOR

The undersigned is, on record, the holder of oil and gas lease

LEASE NAME: Fee Leases, see attached

LEASE NUMBER: Fee, no numbers assigned

and hereby designates

NAME: Ginger Stringham, Paradigm Consulting Inc.

ADDRESS: PO Box 790203

city Vernal state UT zip 84078

as his (check one) agent ☒ / operator ☐, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the Division Director or Authorized Agent may serve written or oral instructions in securing compliance with the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah with respect to:

(Describe acreage to which this designation is applicable. Identify each oil and gas well by API number and name. Attach additional pages as needed.)

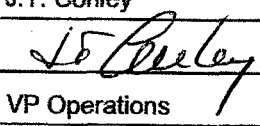
Fee leases, see attached

It is understood that this designation of agent/operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Oil and Gas Conservation General Rules and Procedural Rules of the Board of Oil, Gas and Mining of the State of Utah. It is also understood that this designation of agent or operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated agent/operator, the lessee will make full and prompt compliance with all rules, lease terms or orders of the Board of Oil, Gas and Mining of the State of Utah or its authorized representative.

The lessee agrees to promptly notify the Division Director or Authorized Agent of any change in this designation.

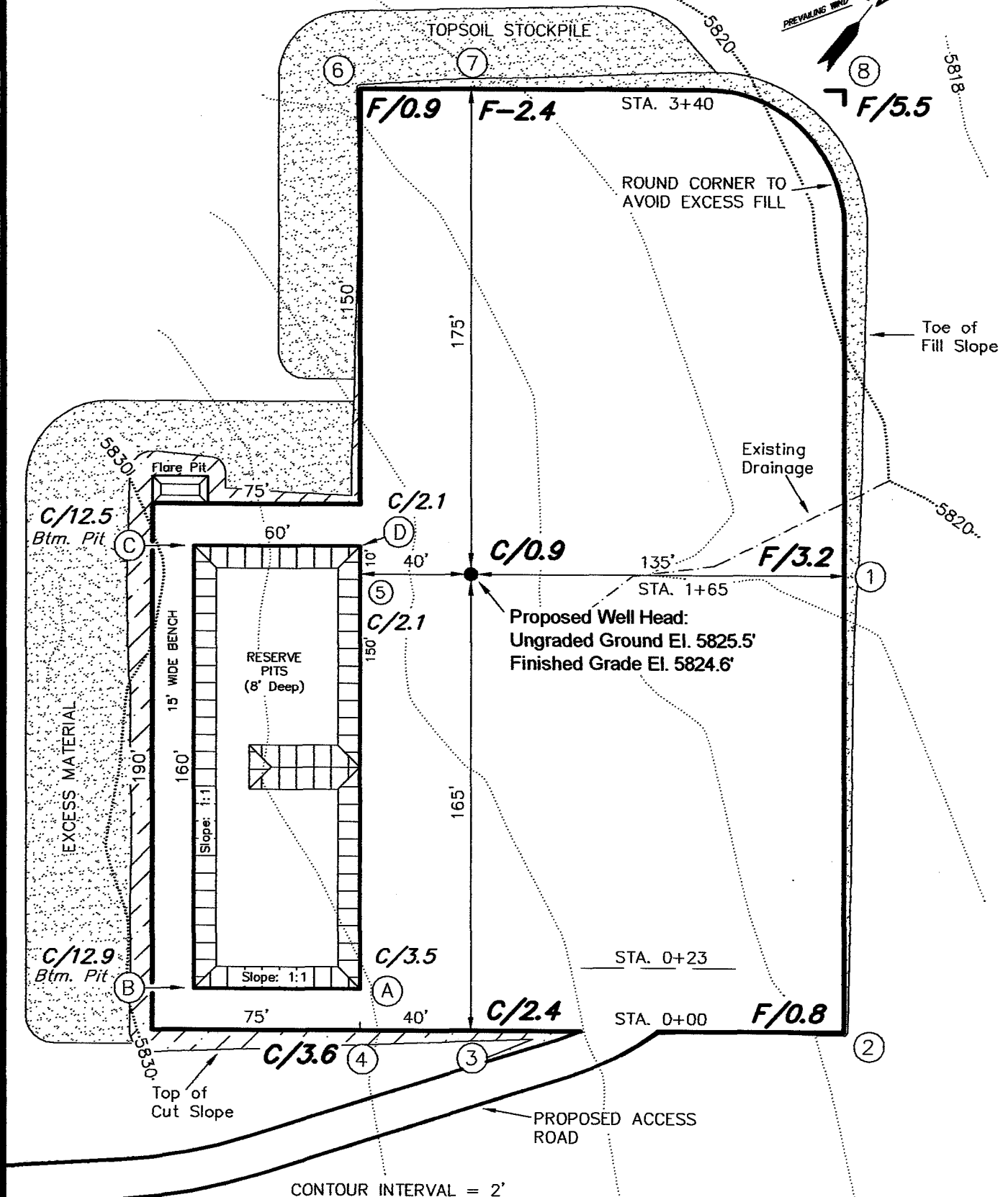
Effective Date of Designation: 03/01/2005

BY: (Name) J.T. Conley
(Signature) 
(Title) VP Operations
(Phone) (435) 781-1871

OF: (Company) Slate River Resources, LLC
(Address) 418 East Main
city Vernal
state UT zip 84078

SLATE RIVER RESOURCES, LLC

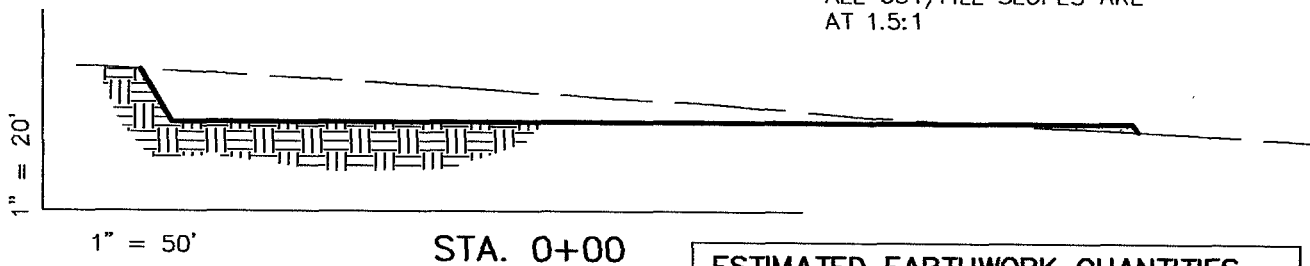
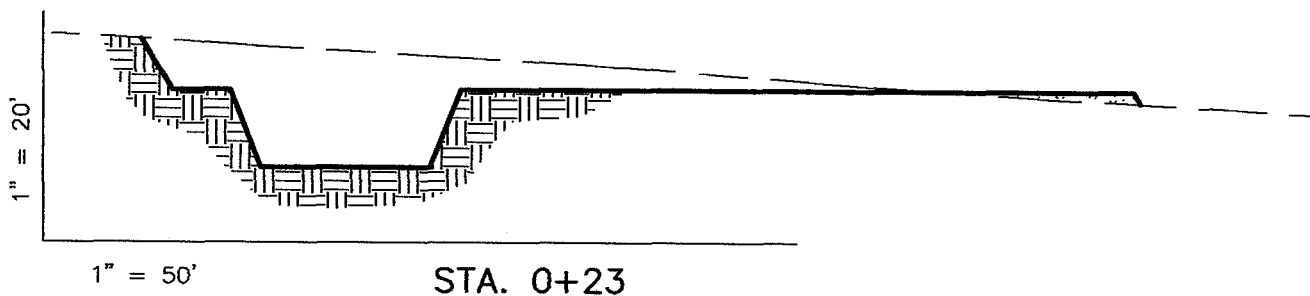
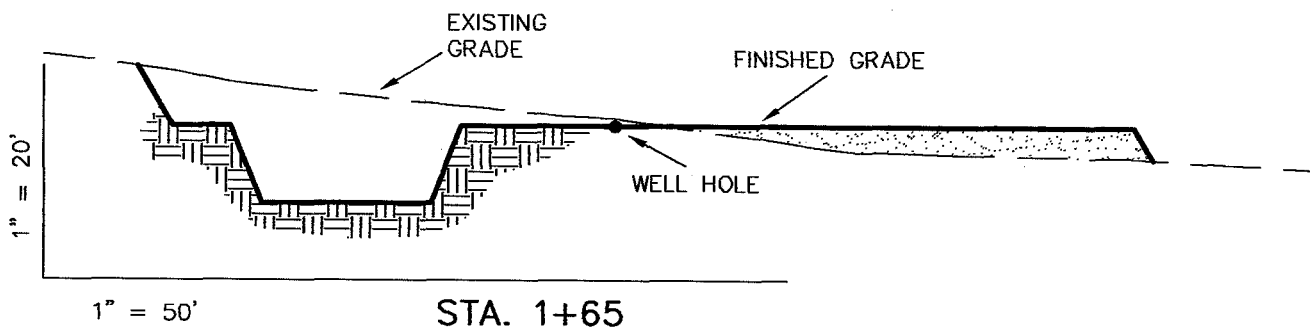
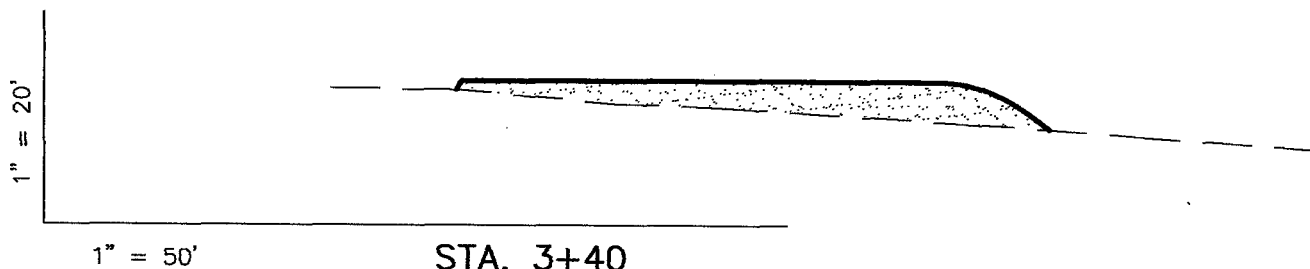
CUT SHEET UINTAH OIL ASSOCIATION 1321-6G



Section 6, T13S, R21E, S.L.B.&M.		Qtr/Qtr Location: SW NE	Footage Location: 1787' FNL & 2108' FEL
Date Surveyed: 2-24-05	Date Drawn: 2-27-05	Date Last Revision:	Timberline (435) 789-1365
Surveyed By: K.K.	Drawn By: J.R.S.	Scale: 1" = 50'	Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078			SHEET 2 OF 10

SLATE RIVER RESOURCES, LLC

CROSS SECTIONS UINTAH OIL ASSOCIATION 1321-6G



NOTE:
UNLESS OTHERWISE NOTED
ALL CUT/FILL SLOPES ARE
AT 1.5:1

REFERENCE POINTS

185' NORTHEASTERLY = 5820.4'
235' NORTHEASTERLY = 5819.2'
225' NORTHWESTERLY = 5820.7'
275' NORTHWESTERLY = 5819.5'

ESTIMATED EARTHWORK QUANTITIES (Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	2,580	3,710	Topsoil is not included in Pad Cut	-1,130
PIT	2,270	0		2,270
TOTALS	4,850	3,710	1,470	1,140

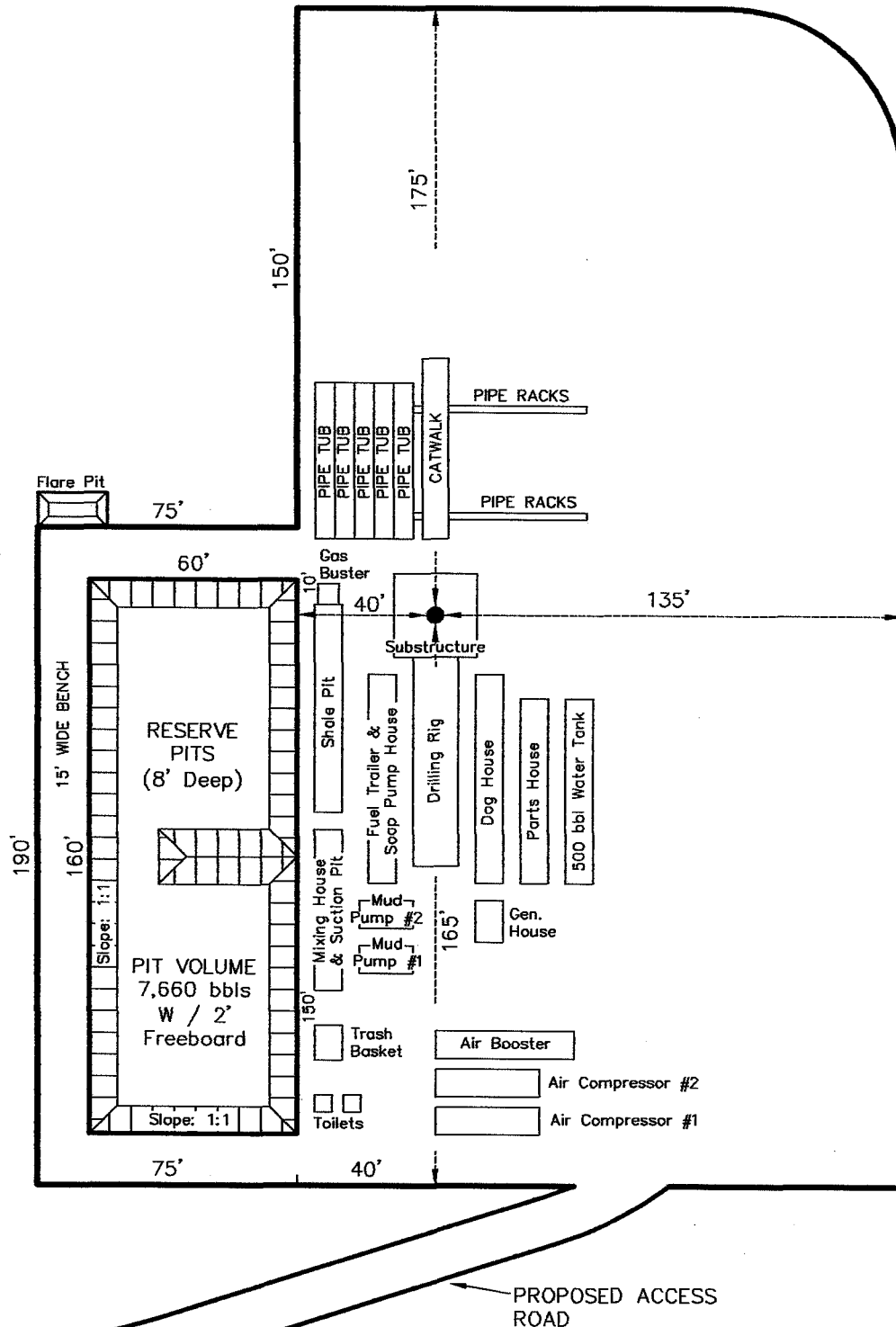
Excess Material after Pit Rehabilitation = 0 Cu. Yds.

Section 6, T13S, R21E, S.L.B.&M.		Qtr/Qtr Location: SW NE	Footage Location: 1787' FNL & 2108' FEL
Date Surveyed: 2-24-05	Date Drawn: 2-27-05	Date Last Revision:	Timberline (435) 789-1365 Land Surveying, Inc. 38 WEST 100 NORTH VERNAL, UTAH 84078
Surveyed By: K.K.	Drawn By: J.R.S.	Scale: 1" = 50'	

SHEET
3
OF 10

SLATE RIVER RESOURCES, LLC

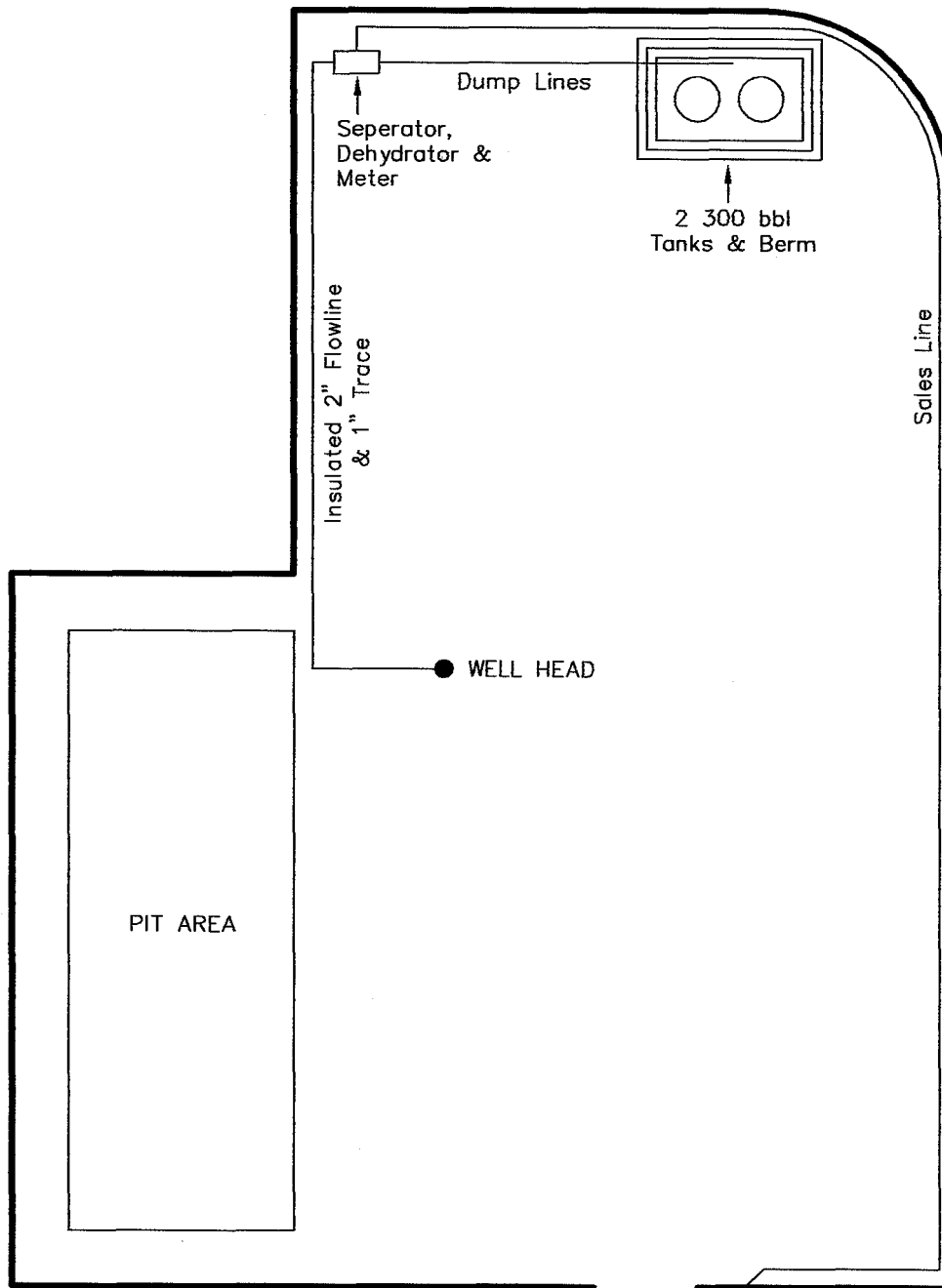
TYPICAL RIG LAYOUT UINTAH OIL ASSOCIATION 1321-6G



Section 6, T13S, R21E, S.L.B.&M.		Qtr/Qtr Location: SW NE	Footage Location: 1787' FNL & 2108' FEL
Date Surveyed: 2-24-05	Date Drawn: 2-27-05	Date Last Revision:	Timberline (435) 789-1365
Surveyed By: K.K.	Drawn By: J.R.S.	Scale: 1" = 50'	Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078			SHEET 4 OF 10

SLATE RIVER RESOURCES, LLC

TYPICAL PRODUCTION LAYOUT UINTAH OIL ASSOCIATION 1321-6G







Section 6, T13S, R21E, S.L.B.&M.		Qtr/Qtr Location: SW NE	Footage Location: 1787' FNL & 2108' FEL
Date Surveyed: 2-24-05	Date Drawn: 2-27-05	Date Last Revision:	Timberline (435) 789-1365
Surveyed By: K.K.	Drawn By: J.R.S.	Scale: 1" = 50'	Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078			SHEET 5 OF 10



**Uintah Oil Association 1321-6G
SECTION 6, T13S, R21E, S.L.B.&M.
1787' FNL & 2108' FEL**

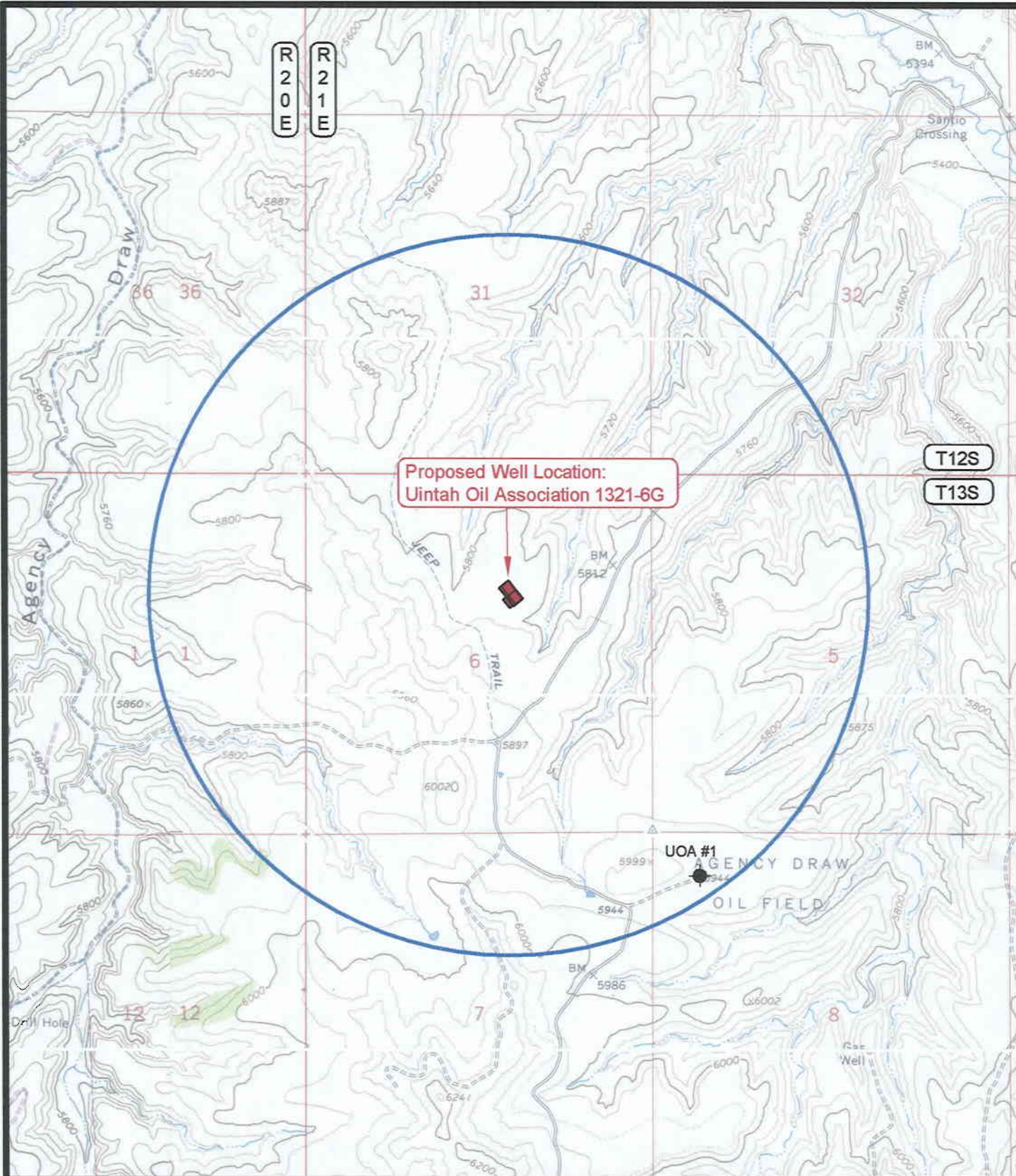
SHEET
6
OF 10

 = PROPOSED WELL LOCATION  = COUNTY ROAD CLASS & NUMBER
 = EXISTING ROAD
 = EXISTING ROAD (TO BE IMPROVED)
 = PROPOSED ACCESS ROAD

DATE SURVEYED: 2-24-05

REVISÉ:





LEGEND

- ⊘ = DISPOSAL WELL
- = PRODUCING WELL
- ⬮ = SHUT IN WELL
- ⊘ = WATER WELL
- ⬮ = ABANDONED WELL
- ⬮ = TEMPORARILY ABANDONED WELL

TOPOGRAPHIC MAP "C"

SCALE: 1" = 2000'

DRAWN BY: J.R.S.

DATE SURVEYED: 2-24-05

DATE DRAWN: 2-27-05

REVISED:

SLATE RIVER RESOURCES, LLC

Uintah Oil Association 1321-6G
SECTION 6, T13S, R21E, S.L.B.&M.
1787' FNL & 2108' FEL

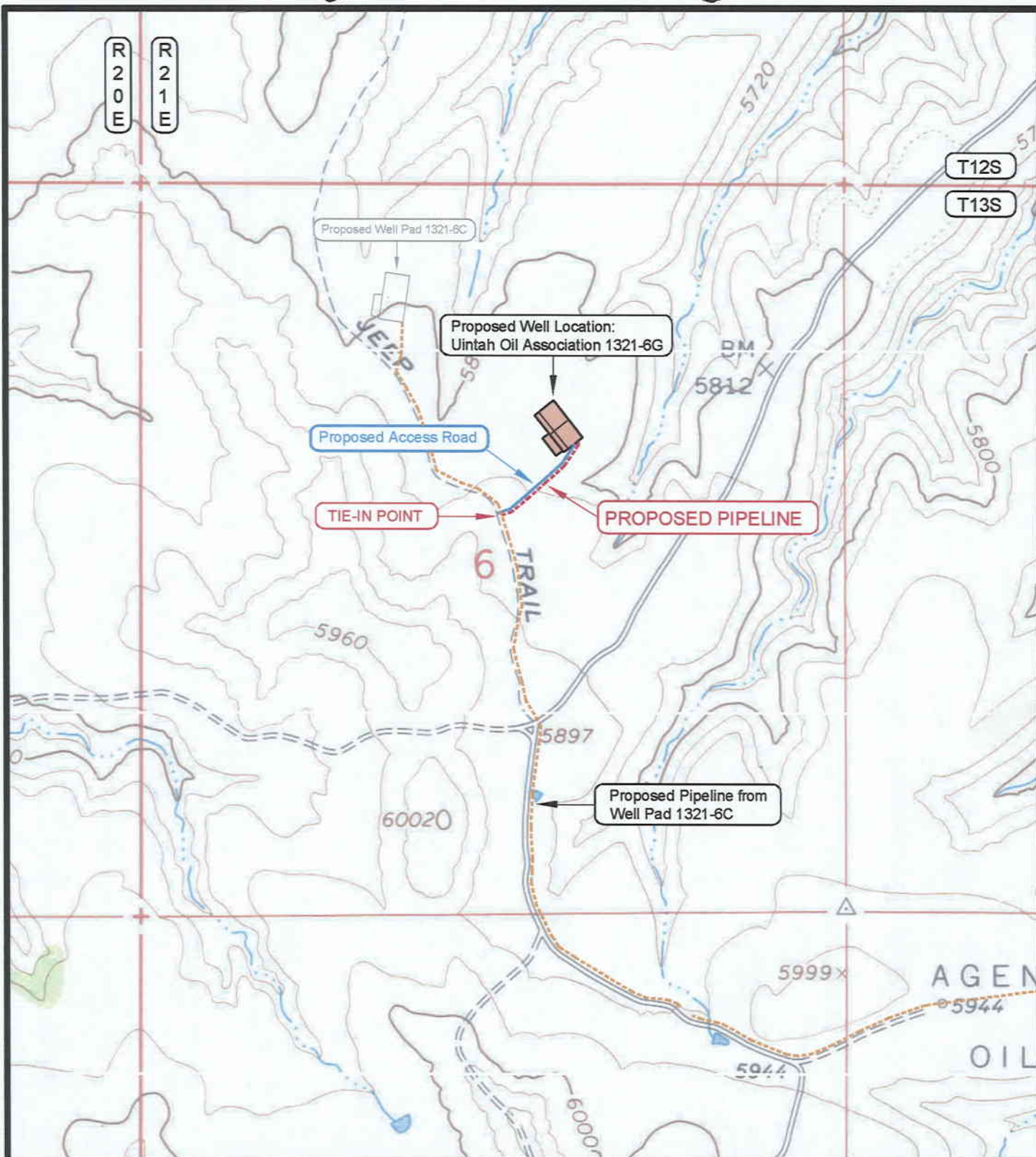
Timberline Land Surveying, Inc.

38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET

8

OF 10



APPROXIMATE PIPELINE LENGTH = 810 FEET

LEGEND

- = EXISTING PIPELINE
- = PROPOSED PIPELINE
- = PROPOSED ACCESS ROAD

TOPOGRAPHIC MAP "D"

DATE SURVEYED: 2-24-05

DATE DRAWN: 2-27-05

SCALE: 1" = 1000'

DRAWN BY: J.R.S.

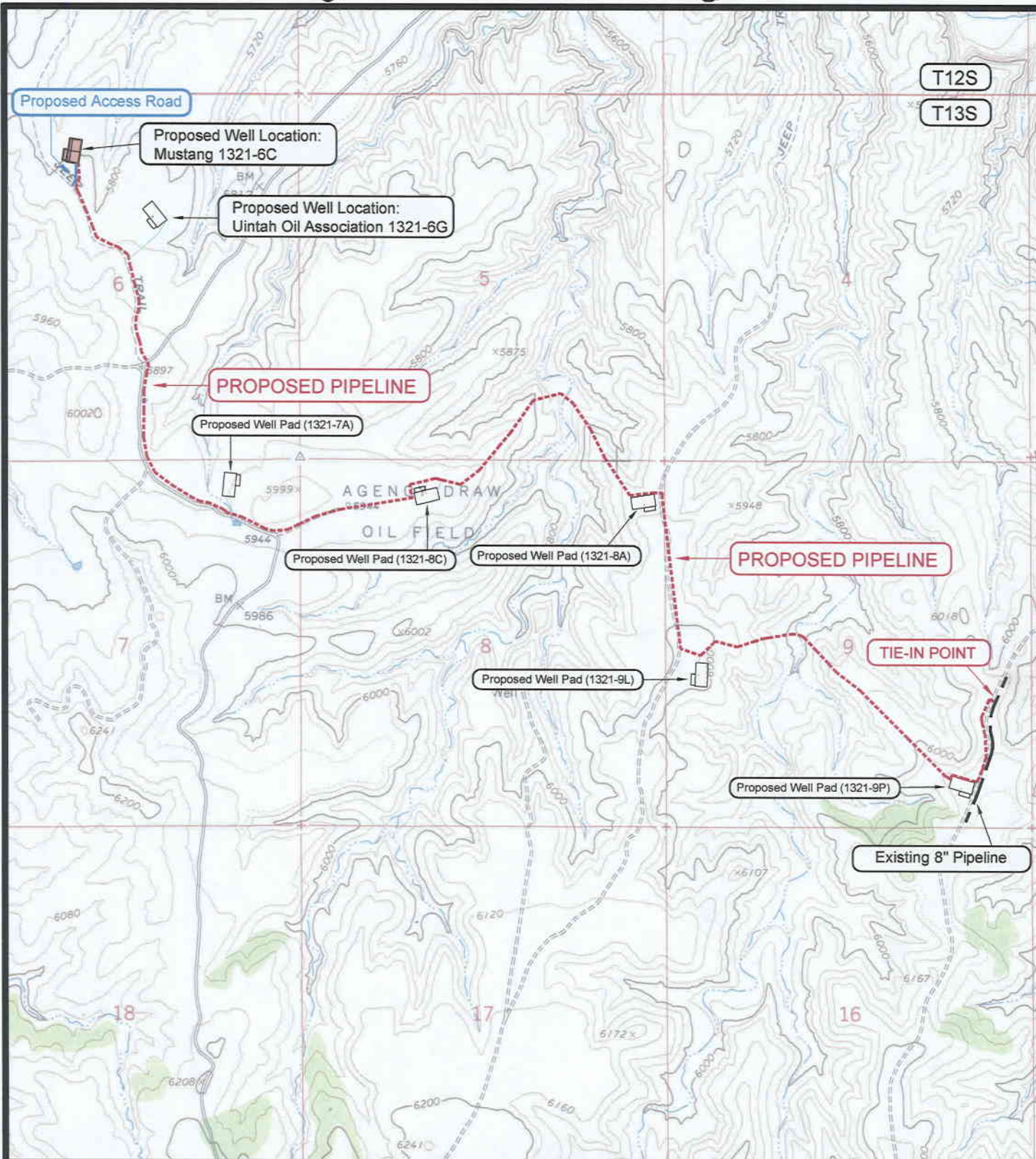
REVISED:

SLATE RIVER RESOURCES, LLC

**Uintah Oil Association 1321-6G
SECTION 6, T13S, R21E, S.L.B.&M.
1787' FNL & 2108' FEL**

Timberline Land Surveying, Inc.
38 West 100 North Vernal, Utah 84078
(435) 789-1365

**SHEET
9
OF 10**



APPROXIMATE PIPELINE LENGTH = 23,090'

LEGEND

- = EXISTING PIPELINE
- = PROPOSED PIPELINE
- = PROPOSED ACCESS ROAD

TOPOGRAPHIC MAP "D-1"

SCALE: 1" = 2000'

DRAWN BY: J.R.S.

DATE SURVEYED: 2-24-05

DATE DRAWN: 2-27-05

LATEST REVISION: 3-3-05

SLATE RIVER RESOURCES, LLC

Uintah Oil Association 1321-6G
Proposed Pipeline from Well 1321-6C to Tie In
SECTIONS 5, 6, 7, 8 & 9, T13S, R21E, S.L.B.&M.
1787' FNL & 2108' FEL

Timberline Land Surveying, Inc.
 38 West 100 North Vernal, Utah 84078
 (435) 789-1365

SHEET
9a
OF 10

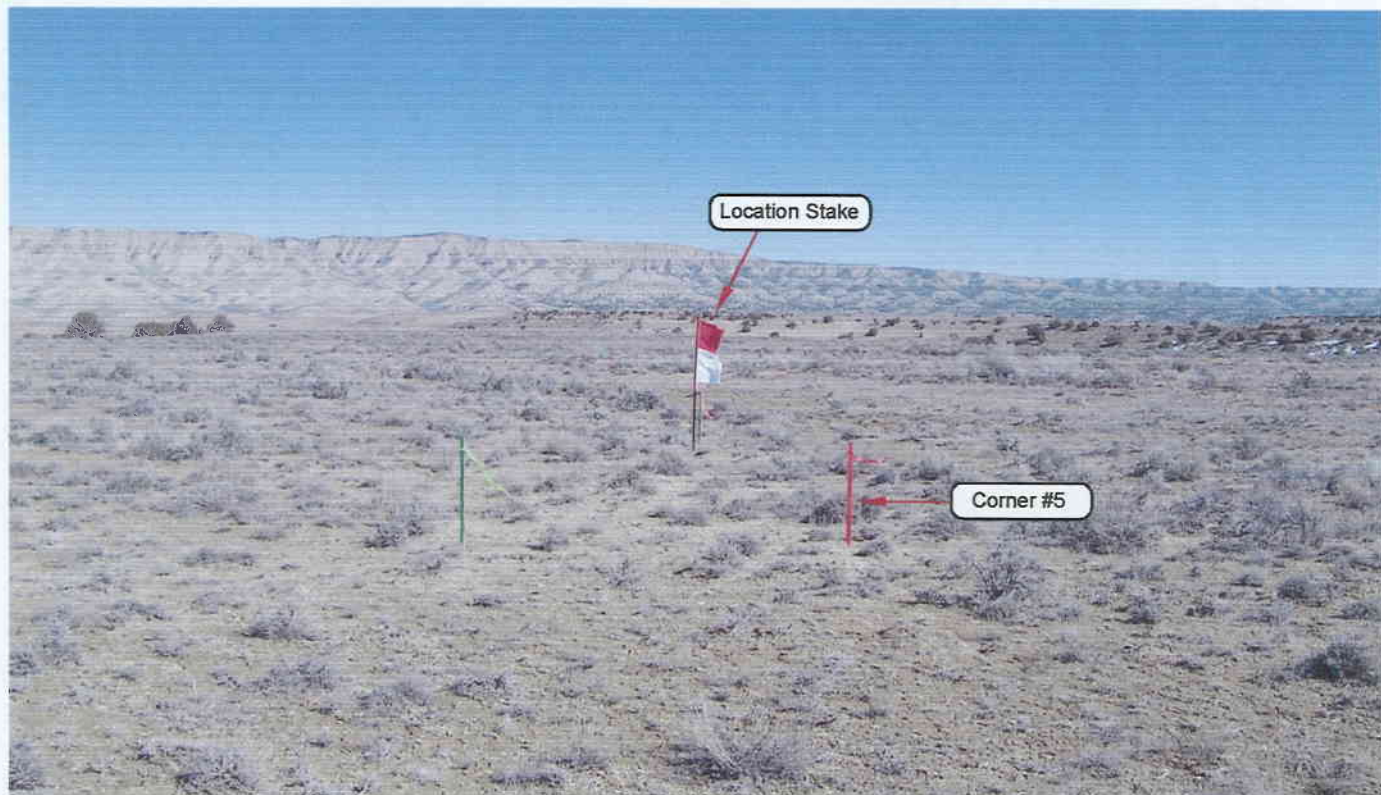


PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

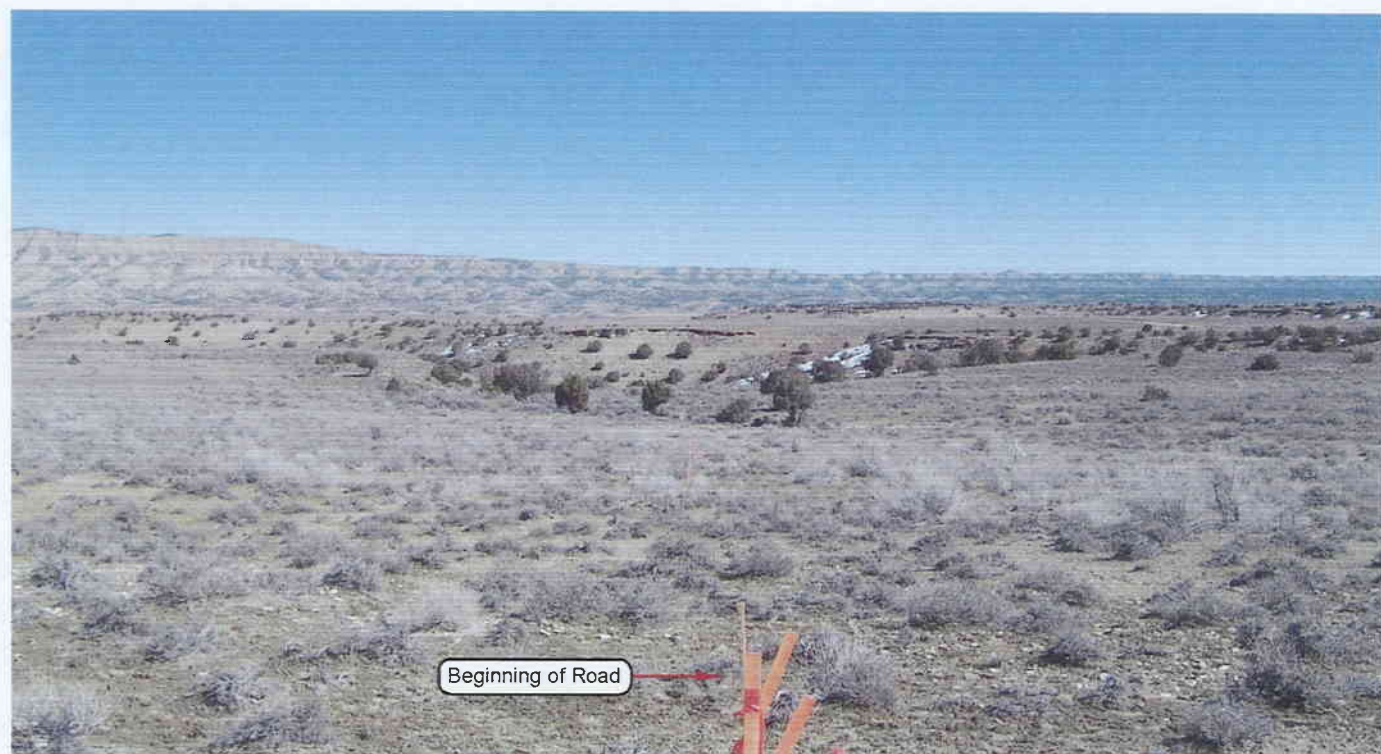


PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHEASTERLY

SLATE RIVER RESOURCES, LLC

Uintah Oil Association 1321-6G
SECTION 6, T13S, R21E, S.L.B.&M.
1787' FNL & 2108' FEL

LOCATION PHOTOS

TAKEN BY: K.K.

DRAWN BY: J.R.S.

DATE TAKEN: 2-24-05

DATE DRAWN: 2-27-05

REVISED:

Timberline Land Surveying, Inc.

38 West 100 North Vernal, Utah 84078
(435) 789-1365

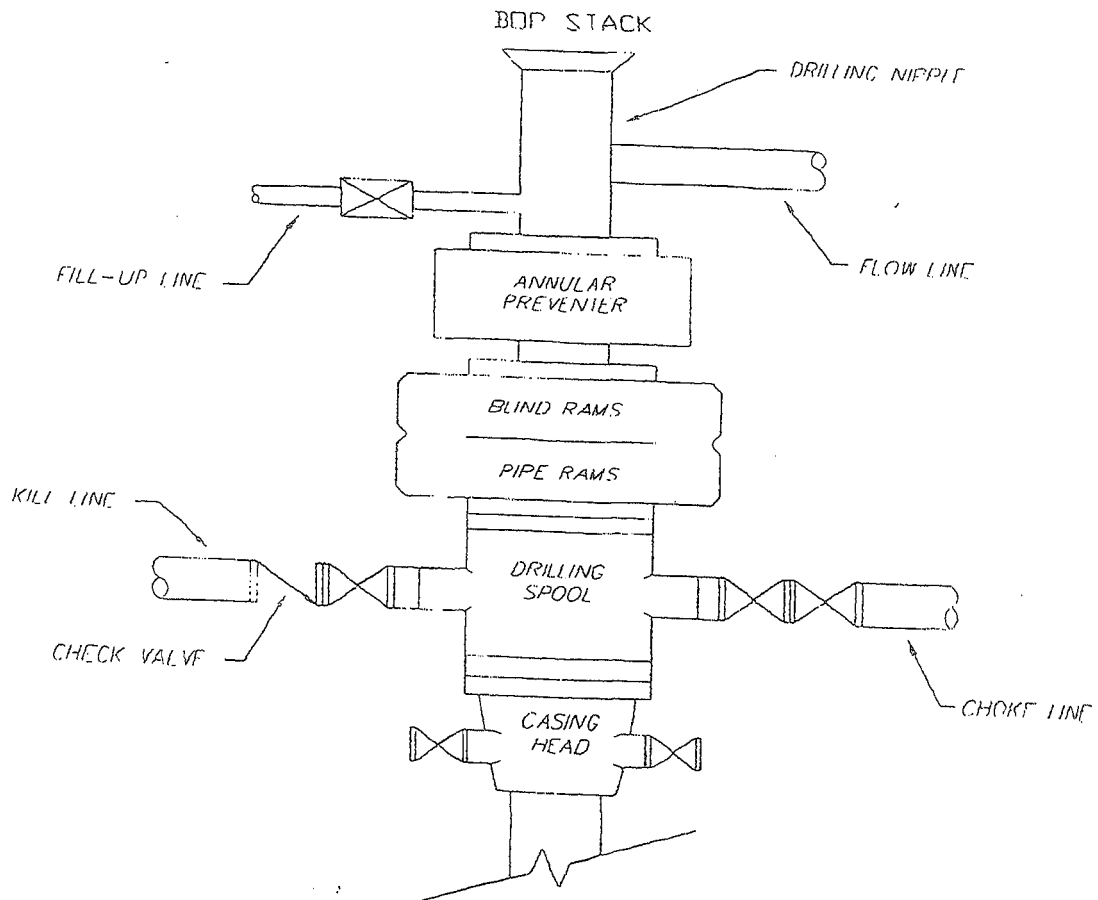
SHEET
10
OF 10

SLATE RIVER RESOURCES, LLC
Uintah Oil Association 1321-6G
Section 6, T13S, R21E, S.L.B.&M.

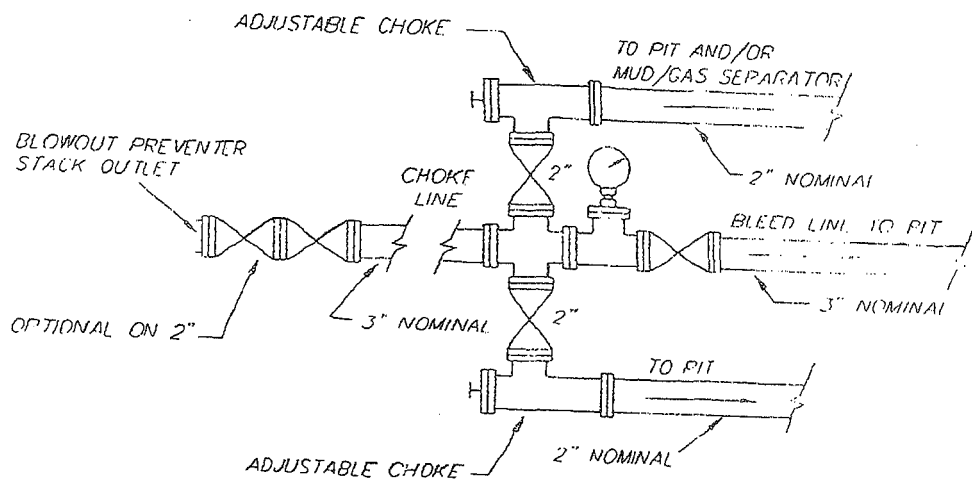
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 88 APPROXIMATELY 17 MILES TO OURAY, UTAH; FROM OURAY, PROCEED IN A SOUTHERLY DIRECTION ALONG THE SEEP RIDGE ROAD (COUNTY B ROAD 2810) APPROXIMATELY 29.4 MILES TO ITS INTERSECTION WITH THE BUCK CANYON ROAD (COUNTY B ROAD 5460); EXIT RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION ALONG THE BUCK CANYON ROAD APPROXIMATELY 3.2 MILES TO WILLOW CREEK; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION ALONG THE WILLOW CREEK ROAD (COUNTY B ROAD 5120) APPROXIMATELY 2.1 MILES TO ITS INTERSECTION WITH THE AGENCY DRAW ROAD (COUNTY B ROAD 5340); EXIT LEFT AND PROCEED IN A WESTERLY THEN SOUTHERLY DIRECTION ALONG THE AGENCY DRAW ROAD APPROXIMATELY 2.5 MILES TO ITS INTERSECTION WITH THE FLAT ROCK ROAD (COUNTY B ROAD 5450); EXIT RIGHT AND PROCEED NORTHERLY ALONG A CLASS D COUNTY ROAD 0.3 MILES TO THE PROPOSED ACCESS ROAD; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 770 FEET TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 68.6 MILES.

TYPICAL 3,000 p.s.i.
BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i.
CHOK MANIFOLD SCHEMATIC



005

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/09/2005

API NO. ASSIGNED: 43-047-36370

WELL NAME: UINTAH OIL ASSOC 1321-6GOPERATOR: SLATE RIVER RESOURCES (N2725)CONTACT: GINGER STRINGHAMPHONE NUMBER: 435-790-4163

PROPOSED LOCATION:

SWNE 06 130S 210E

SURFACE: 1787 FNL 2108 FEL

BOTTOM: 1787 FNL 2108 FEL

UINTAH

WILDCAT (1)

LEASE TYPE: 4 - Fee

LEASE NUMBER: FEE

SURFACE OWNER: 4 - Fee

PROPOSED FORMATION: MNCS

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	4/15/05
Geology		
Surface		

LATITUDE: 39.71791

LONGITUDE: -109.6071

RECEIVED AND/OR REVIEWED:

- ☒ Plat
☒ Bond: Fed[] Ind[] Sta[] Fee[]
(No. B001556)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-2179)
☒ RDCC Review (Y/N)
(Date: 04/02/2005)
☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

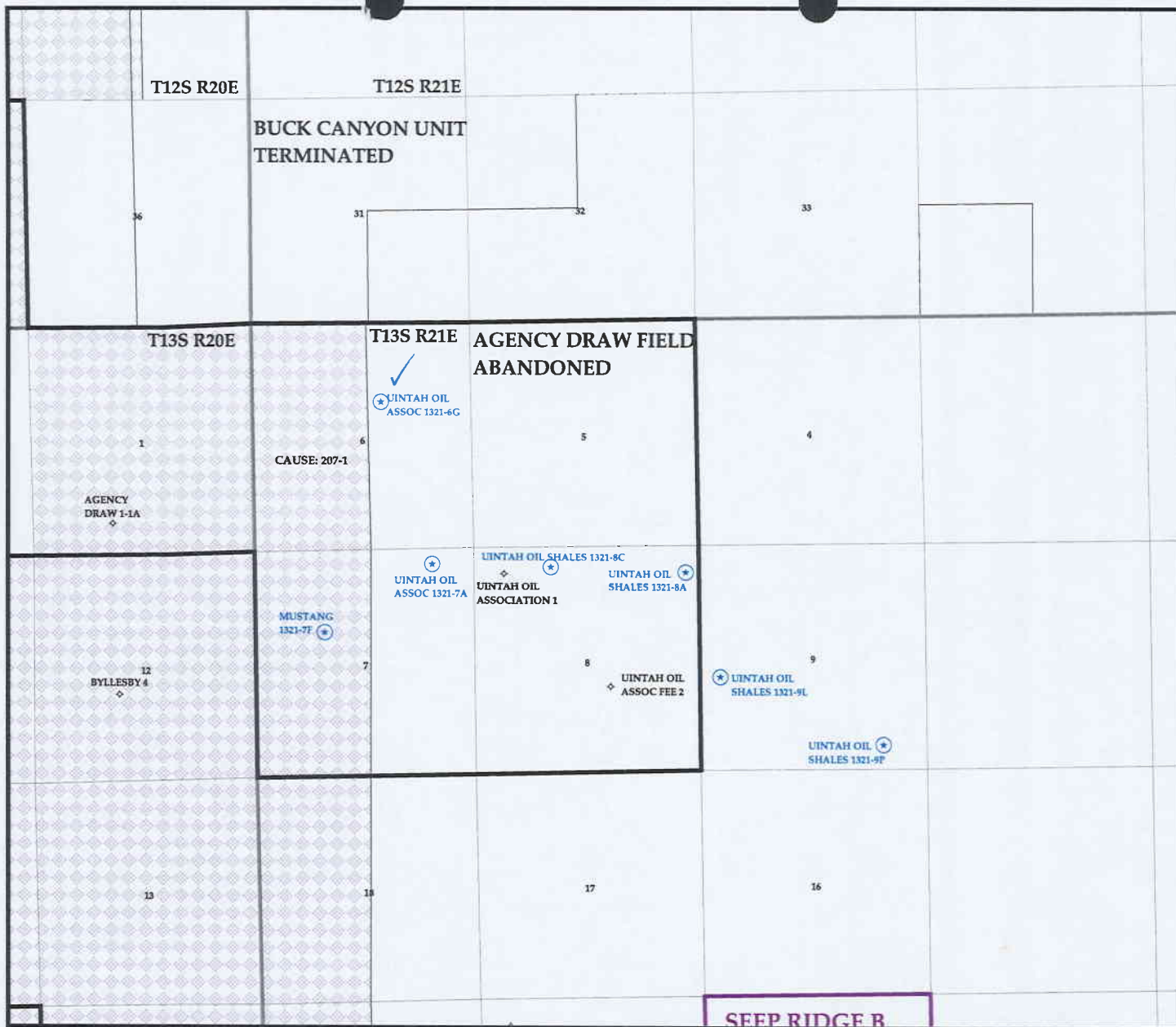
- ___ R649-2-3.
Unit _____
☒ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
___ Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
___ R649-3-11. Directional Drill

COMMENTS:

Needs Permit (B-31-05)

STIPULATIONS:

- 1- Spacing Strip
2- STATEMENT OF BASIS
3- Cement sl, p# 3 - 4 1/2" production string cemented back to 2000' MD



OPERATOR- SLATE RIVER RES LLC (N2725)

SEC. 6 T.13S R.21E

FIELD: WILDCAT (001)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Wells

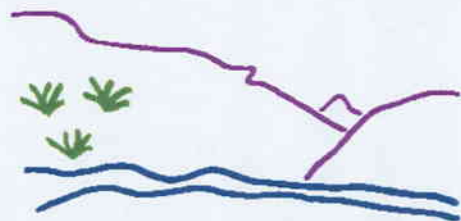
- ⊕ GAS INJECTION
- ⊙ GAS STORAGE
- × LOCATION ABANDONED
- ⊕ NEW LOCATION
- ⊕ PLUGGED & ABANDONED
- ⊕ PRODUCING GAS
- PRODUCING OIL
- ⊕ SHUT-IN GAS
- ⊕ SHUT-IN OIL
- × TEMP. ABANDONED
- ⊕ TEST WELL
- ⊕ WATER INJECTION
- ⊕ WATER SUPPLY
- ⊕ WATER DISPOSAL

Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

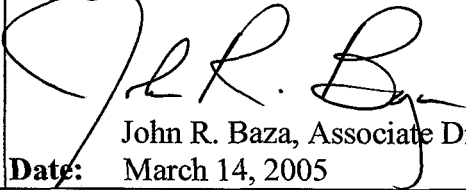


Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 11-MARCH-2005

STATE ACTIONS
Resource Development Coordinating Committee
Governor's Office of Planning and Budget
5110 State Office Building
SLC, UT 84114
Phone No. 537-9230

1. State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. Approximate date project will start: Upon Approval or March 28, 2005
3. Title of proposed action: Application for Permit to Drill	
4. Description of Project: Slate River Resources, LLC proposes to drill the Uintah Oil Association 1321-6G well (wildcat) on a Fee lease, Uintah County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
5. Location and detailed map of land affected (site location map required, electronic GIS map preferred) (include UTM coordinates where possible) (indicate county) 1787' FNL 2108' FEL, SW/4 NE/4, Section 6, Township 13 South, Range 21 East, Uintah County, Utah	
6. Possible significant impacts likely to occur: Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres – not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.	
7. Identify local government affected a. Has the government been contacted? No. b. When? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable: a. Has the representative and senator been contacted? N/A	
9. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Uintah Basin Association of Governments	
10. For further information, contact: <div style="text-align: right;">Diana Whitney Phone: (801) 538-5312</div>	11. Signature and title of authorized officer <div style="text-align: center;"> John R. Baza, Associate Director Date: March 14, 2005</div>

Surface Owners: Fee Lands
Slate River Resources, LLC

Utah Oil Shales 1321-8C
c/o Edward M. Bown
1972 E Claremont Way
Salt Lake City, UT 84108
801-281-0930

Utah Oil Shales 1321-7A
c/o Edward M. Bown
1972 E Claremont Way
Salt Lake City, UT 84108
801-281-0930

Utah Oil Shales 1321-8A
c/o Edward M. Bown
1972 E Claremont Way
Salt Lake City, UT 84108
801-281-0930

Mustang 1321-7F
c/o David Salter
13439 Broadway Extension
Oklahoma City, OK 73114-2202
405-748-9464

Mustang 1320-12A
c/o David Salter
13439 Broadway Extension
Oklahoma City, OK 73114-2202
405-748-9464

Utah Oil Shales 1321-6G
c/o Edward M. Bown
1972 E Claremont Way
Salt Lake City, UT 84108
801-281-0930

Utah Oil Shales 1321-9P
c/o Edward M. Bown
1972 E Claremont Way
Salt Lake City, UT 84108
801-281-0930

Utah Oil Shales 1321-9L
c/o Edward M. Bown
1972 E Claremont Way
Salt Lake City, UT 84108
801-281-0930

Mustang 1320-11
c/o David Salter
13439 Broadway Extension
Oklahoma City, OK 73114-2202
405-748-9464

Mustang 1321-6C
c/o David Salter
13439 Broadway Extension
Oklahoma City, OK 73114-2202
405-748-9464

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MAR 15 2005
DIV. OF OIL, GAS & MINING

002

FAX TRANSMISSION

SLATE RIVER RESOURCES, LLC

1600 Broadway, Suite 900

Denver, Colorado 80202

office: 303-592-4444

direct: 303-592-4448

fax: 303-592-4440

To: Diana Whitney, DOGM
Ginger Stringham

Date: March 16, 2005

Fax #: 801-359-3940
435-789-0255

Pages: 4, including this cover sheet.

From: Bruce E. Johnston

Subject: Surface Use Agreement – Utah Oil Shales, Inc. and Uintah Oil Association

Attached is a letter executed by Utah Oil Shales and Uintah Oil Association dated March 15, 2005 covering surface use and damages for wells on the two Oil and Gas Leases covering 4,317 acres. Your assistance in getting on-sites set up as soon as possible for the wells on these leases is appreciated. If you have any questions, call me at 303-592-4448 or 303-880-1343.

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MAR 16 2005
DIV. OF OIL, GAS & MINING

From the desk of...
Bruce E. Johnston
Vice President Land
Slate River Resources, LLC
1600 Broadway, Suite 900
Denver, CO 80202
bjohnston@slriver.com
direct 303-592-4448
Cell 303-880-1343
Fax: 303-592-4440

03/16/2005 14:31 261096
03/16/2005 12:21 FAX 3035824440

BOWN

PAGE 02

SLATE RIVER

001/001



Slate River Resources, LLC

1600 Broadway, Suite 900
Denver, Colorado 80202

Page 1 of 3

March 15, 2005

Utah Oil Shales, Inc.
c/o Mr. Ed Bown
Utah Oil Association
c/o Mr. Ernie D. Newman
1972 E. Claremont Way
Salt Lake City, UT 84108
Fax 801-461-0988

Re: Surface Use and Damage Agreement
Utah Oil Shales, Inc. Oil & Gas Lease
T139-F21E
Sec 4: Lots 1,2,3,4, S/2N/2, S/2
Sec 5: Lot 1, SE/4NE/4, E/2SE/4
Sec 6: E/2E/2, SW/4SE/4
Sec 7: All
Sec 16: W/2
Sec 17: E/2

2,279.69 acres
Utah County, Utah

Utah Oil Association Oil & Gas Lease
T129-F21E
Sec 51: SE/4
Sec 52: S/2
T138-F21E
Sec 6: Lots 2,3,4, S/2NW/4,
SW/4NE/4, SW/4, W/2SE/4
Sec 8: Lots 1,2, S/2NE/4, SE/4
Sec 7: E/2
Sec 8: W/2, W/2NE/4, NW/4SE/4
2,039.98 acres

Dear Mr. Bown and Mr. Newman:

Utah Oil Association and Utah Oil Shales, Inc. own the surface and minerals within two Oil and Gas Leases dated May 1, 1989 recorded in Book 708, page 880 and page 829 of the Utah County, Utah records covering 4,917.85 acres described above. Mustang Fuel Corporation, 19439 Broadway Extension, Oklahoma City, Oklahoma 73114 as lessee for the two leases assigned 50% of the leases to Slate River Resources, LLC, 1600 Broadway, Suite 900, Denver, Colorado 80202 by assignment dated February 14, 2005 and recorded in Book 915, Page 209. Slate River Resources, LLC is the operator of the two leases.

The surface owners and lessees wish to enter into an agreement covering the access and payment of damages on the Oil and Gas Leases for the exploration and production of oil and gas. This agreement is supplemental to and subject to the terms of the two Oil and Gas Leases referenced in the paragraph above.

Surface Operations With respect to operations conducted on and production from the leased premises and during the term of the leases, the following shall control:

(a) Lessee shall make a good faith effort to use existing roadways and a minimal amount of production facilities whenever practicable and to limit the amount of new road construction on the leased premises. Lessee agrees to maintain and keep all lease roads, gates and cattle

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03/16/2005 14:31 28109E
03/16/2005 09:55 FAX 3035924440

BOWN

PAGE 03

SLATE RIVER

002/003

**Slate River Resources, LLC**1600 Broadway, Suite 800
Denver, Colorado 80202

Page 2 of 8

guards in satisfactory condition. Prior to the commencement of any operations (other than staking of location) for the drilling of any well hereunder affecting surface owned by Surface Owner or any of its affiliate or subsidiary companies, Lessee shall provide for such surface owner's consent a plat reflecting its proposed route of ingress and egress to the well location and stating the length of any new road(s) proposed to be constructed for such well. Said

surface owner's consent to the proposed route and any associated road construction shall not be unreasonably withheld. Upon completion of any operation performed pursuant to this lease, Lessee shall restore the affected surface as nearly as practicable to its condition prior to such operation.

(b) Prior to the commencement of drilling operations, Lessee shall pay the surface owner for surface damages, the sum of:

(i). \$2500 for each well permitted to a proposed depth down to the base of the Mancos formation, or

(ii). \$5000 for each well permitted to a proposed depth deeper than the base of the Mancos formation.

(c) Damages to be paid to the surface owner for construction of new road or for laying of new pipeline shall be calculated on the basis of \$ 10.00 per linear rod.

(d) Salt water shall not be disposed of on the leased premises without the written consent of the appropriate surface owner. No hunting or fishing shall be allowed on the leased premises by Lessee or any of its contractors, subcontractors, etc. without the written consent of the surface owner. Lessee shall keep the leased premises free and clear of trash and debris.

(e) Lessee recognizes that the leased premises may be subject to leases covering other surface activities, including the grazing of livestock and/or the removal of stone for commercial purposes. In this regard Lessee agrees to conduct its operations in such a manner as to cause minimal disturbance to or interference with said activities.

In addition, in accordance with the terms of the Oil and Gas Leases referred to above enclosed is a copy of the recorded Partial Assignment of Oil & Gas Leases from Mustang Fuel Corporation conveying 50% of its leasehold interest to Slate River Resources, LLC.

Slate River Resources, LLC in compliance with State of Utah Drilling and Operating Practices - Bonding, Rule 649-S-1 has obtained a statewide Surety Bond No.B001588 in the amount of \$120,000, with U.S. Specialty Insurance Company as Surety and payable to the Director of Utah Division of Oil, Gas and Mining. A copy of the bond is attached for your files.

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MAR 16 2005

DIV. OF OIL, GAS & MINING

03/16/2005 14:31 281098
03/16/2005 09:55 FAX 3035924440BOWN
SLATE RIVERPAGE 04
003/003**Slate River Resources, LLC**1800 Broadway, Suite 300
Denver, Colorado 80202


Page 3 of 3

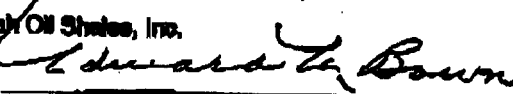
Please sign and return a copy of this letter indicating acceptance of the Surface access and damage provisions provided herein. Prior to each well being drilled or new construction operation we will provide you with a plat of the location and payment for the well, roadway and pipeline access.

Sincerely,


Bruce E. Johnston
Vice President and
SEJ/100

Provisions herein accepted this 16th day of March, 2005.
Utah Oil Association

By 
Eishel D. Newman President

Utah Oil Shales, Inc.
By 
Edward M. Bown President

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MAR 16 2005

DIV. OF OIL, GAS & MINING

From: Robert Clark
To: Whitney, Diana
Date: 3/21/2005 9:12:21 AM
Subject: DAQ Comments on seven Application to Drill proposals (RDCC #'s 5011-5016 and 5031)

The following comments are submitted in response to seven Application to Drill proposals; RDCC #'s 5011 - 5016 and 5031.

Due to the short turn around time involved, these comments are submitted directly to DOG&M rather than to Carolyn Wright at RDCC. The comments submitted are applicable to all seven applications.

Comments begin: The proposed well drilling project may require a permit, known as an Approval Order, from the Utah Division of Air Quality if any compressor stations are constructed at the site. A permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, SLC, UT, 84116 for review according to the Utah Air Conservation Rule R307-400, Permits, Notice of Intent and Approval Order.

The proposed well drilling project is also subject to Utah Air Conservation Rule R307-205-3, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Division of Air Quality, but steps need to be taken to minimize fugitive dust, such as, watering and/or chemical stabilization, providing vegetative or synthetic cover and windbreaks. A copy of the rules are found at www.rules.utah.gov/publicat/code/r307/r307.htm . **Comments end.**

Robert Clark
Utah Division of Air Quality
536-4435

CC: Dave Mcneill; Wright, Carolyn

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: SLATE RIVER RESOURCES, LLC
WELL NAME & NUMBER: UINTAH OIL ASSOC. 1321-6G
API NUMBER: 43-047-36370
LEASE: FEE FIELD/UNIT: WILDCAT
LOCATION: 1/4, 1/4 SW/NE Sec: 6 TWP: 13S RNG: 21E 2108' FEL 1787' FNL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4, 1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): 4397175N 12619391E SURFACE OWNER: UINTAH OIL ASSOC.

PARTICIPANTS

DAVID W. HACKFORD (DOGM), GINGER STRINGHAM, JOHN CONLEY (SLATE RIVER),
THREE DIRT CONTRACTORS.

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS ON A FLAT TOPPED RIDGE THAT LIES BETWEEN WILLOW CREEK WHICH IS
1.6 MILES TO THE EAST, AND AGENCY DRAW WHICH IS 3.4 MILES TO THE WEST.
WILLOW CREEK, AT THIS POINT, IS A YEAR ROUND STREAM WHILE AGENCY DRAW
HAS WATER ONLY DURING RUNNOFF. AGENCY DRAW ENTERS WILLOW CREEK 4 MILES
TO THE NORTH. VERNAL, UTAH IS 68.6 MILES TO THE NORTH. DRAINAGE IS TO
THE NORTH.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 340' BY 235'. ACCESS
ROAD WILL BE 0.3 MILES OF EXISTING TWO TRACK WHICH WILL BE UPGRADED.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM
GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: ALL PRODUCTION
FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. PIPELINE
WILL BE FOLLOW ACCESS ROAD.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE
BORROWED FROM SITE DURING CONSTRUCTION OF LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL
BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE
TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY
COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND
HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: RABBITBRUSH, JUNIPER, SAGE, GREASEWOOD, PRICKLY PEAR, CHEATGRASS, OTHER NATIVE GRASSES. ELK, DEER, RODENTS, RAPTORS, COYOTE, SONGBIRDS, RABBIT, BOBCAT, BEAR, COUGAR, PRONGHORN.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION. SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED

RESERVE PIT

CHARACTERISTICS: 160' BY 60' AND EIGHT FEET DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE REQUIRED FOR RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER LANDOWNER AGREEMENT

SURFACE AGREEMENT: YES

CULTURAL RESOURCES/ARCHAEOLOGY: SITE IS ON FEE SURFACE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A COOL , WINDY DAY.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

3/31/05 11:30 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>0</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 10 (Level III Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.





**DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS**

OPERATOR: SLATE RIVER RESOURCES, LLC
WELL NAME & NUMBER: UINTAH OIL ASSOC. 1321-6G
API NUMBER: 43-047-36370
LOCATION: 1/4,1/4 SW/NE Sec: 6 TWP: 13S RNG:21E 2108' FEL 1787' FNL

Geology/Ground Water:

Slate River proposes to set 2,000' of surface casing at this location. The base of the moderately saline water is at approximately 3,400 feet in this area. This location lies on the Green River Formation. The proposed location is in a recharge area for the aquifers of the Green River Formation and fresh water can be expected to be found in the Green River. A search of Division of Water Rights records indicates 2 water wells within a 10,000 foot radius of the proposed location. Both wells are over 1.5 miles from the proposed location. These wells are owned by Utah Oil Shale Inc. they are drilled to a depth of 70 feet and listed as used for stock watering. The proposed casing and cement program should adequately protect any useable ground water.

Reviewer: Brad Hill **Date:** 04-11-2005

Surface:

The predrill investigation of the surface was performed on 3/31/05. This site is on fee surface with fee minerals, and appears to be the best site for a location in the immediate area. I notified Mr. Ed Bown (Representative of Uintah Oil Assoc.) on 3/21/05 at (801) 281-0930 of this investigation. He told me he had no specific concerns regarding the drilling of this well or the construction of this location, and he would not be present at the predrill investigation. This area is heavily used for livestock grazing, so I asked that the reserve pit be fenced on three sides while drilling is taking place, and on the fourth side when the rig moves off. Mr. Conley said he would do that.

Reviewer: David W. Hackford **Date:** 4/04/05

Conditions of Approval/Application for Permit to Drill:

None



Search Utah.gov

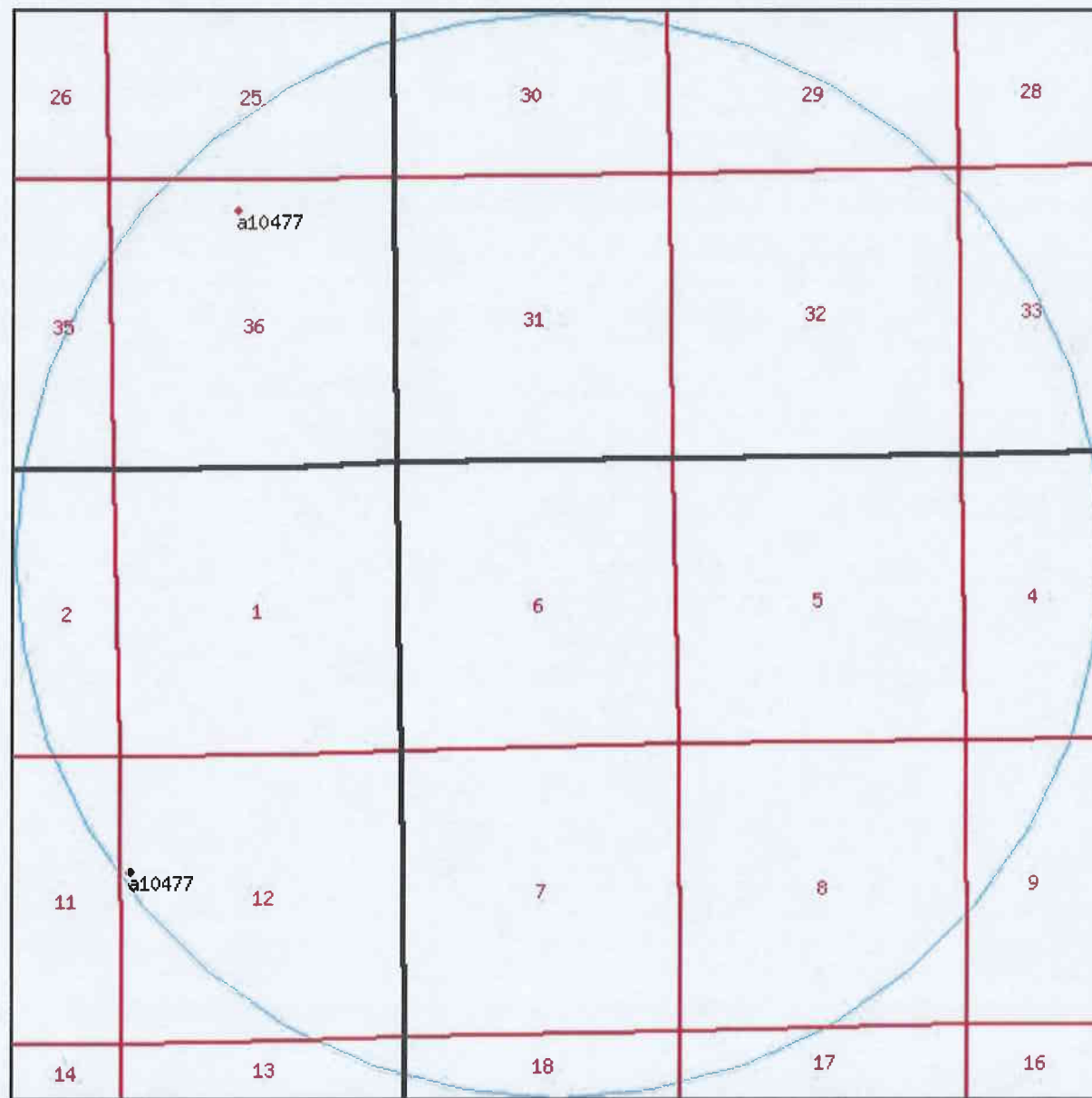
GO

UTAH DIVISION OF WATER RIGHTS

WRPLAT Program Output Listing

Version: 2004.12.30.00 Rundate: 04/11/2005 10:49 AM

Radius search of 10000 feet from a point S1787 W2108 from the NE corner, section 06, Township 13S, Range 21E, SL b&m
Criteria:wrtypes=W,C,E podtypes=U status=U,A,P usetypes=all



0 1300 2600 3900 5200 ft

Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS	ACFT	Owner Name
<u>49-285</u>	Underground S2125 E170 NW 12 13S 20E SL		A	19701203	S	0.015	0.000	UTAH OIL SHALES INC. C/O RAYMOND T. SENIOR, PRESIDENT
<u>49-285</u>	Underground S580 E2375 NW 36 12S 20E SL		A	19701203	S	0.015	0.000	UTAH OIL SHALES INC. C/O RAYMOND T. SENIOR, PRESIDENT
<u>a10477</u>	Underground S2125 E170 NW 12 13S 20E SL		A	19781106	S	0.015	0.000	UTAH OIL SHALES INC. 622 NEWHOUSE BLDG. (10 EXCHANGE PLACE)
<u>a10477</u>	Underground S580 E2375 NW 36 12S 20E SL		A	19781106	S	0.015	0.000	UTAH OIL SHALES INC. 622 NEWHOUSE BLDG. (10 EXCHANGE PLACE)

[Natural Resources](#) | [Contact](#) | [Disclaimer](#) | [Privacy Policy](#) | [Accessibility Policy](#)

Well name:	04-05 Slate Uintah Oil Assoc 1321-6G	
Operator:	Slate River Resources, LLC	Project ID:
String type:	Surface	43-047-36370
Location:	Uintah County	

Design parameters:
Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:
Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 103 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 508 ft

Burst

Max anticipated surface pressure: 1,760 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,000 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,753 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 8,000 ft
Next mud weight: 9.000 ppg
Next setting BHP: 3,740 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,000 ft
Injection pressure 2,000 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2000	9.625	32.30	H-40	ST&C	2000	2000	8.876	126.8
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	873	1370	1.570	2000	2270	1.14	57	254	4.49 J

Prepared Clinton Dworshak
by: Utah Div. of Oil & Mining

Phone: 801-538-5280
FAX: 801-359-3940

Date: April 12, 2005
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Well name:

04-05 Slate Uintah Oil Assoc 1321-6GOperator: **Slate River Resources, LLC**String type: **Production**

Project ID:

43-047-36370

Location: **Uintah County****Design parameters:****Collapse**Mud weight: 9.000 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 187 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 4,244 ft

BurstMax anticipated surface
pressure: 3,005 psi
Internal gradient: 0.092 psi/ft
Calculated BHP 3,740 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.
Neutral point: 6,923 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	8000	4.5	11.60	M-80	LT&C	8000	8000	3.875	185.4
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	3740	6350	1.698	3740	7780	2.08	80	267	3.33 B

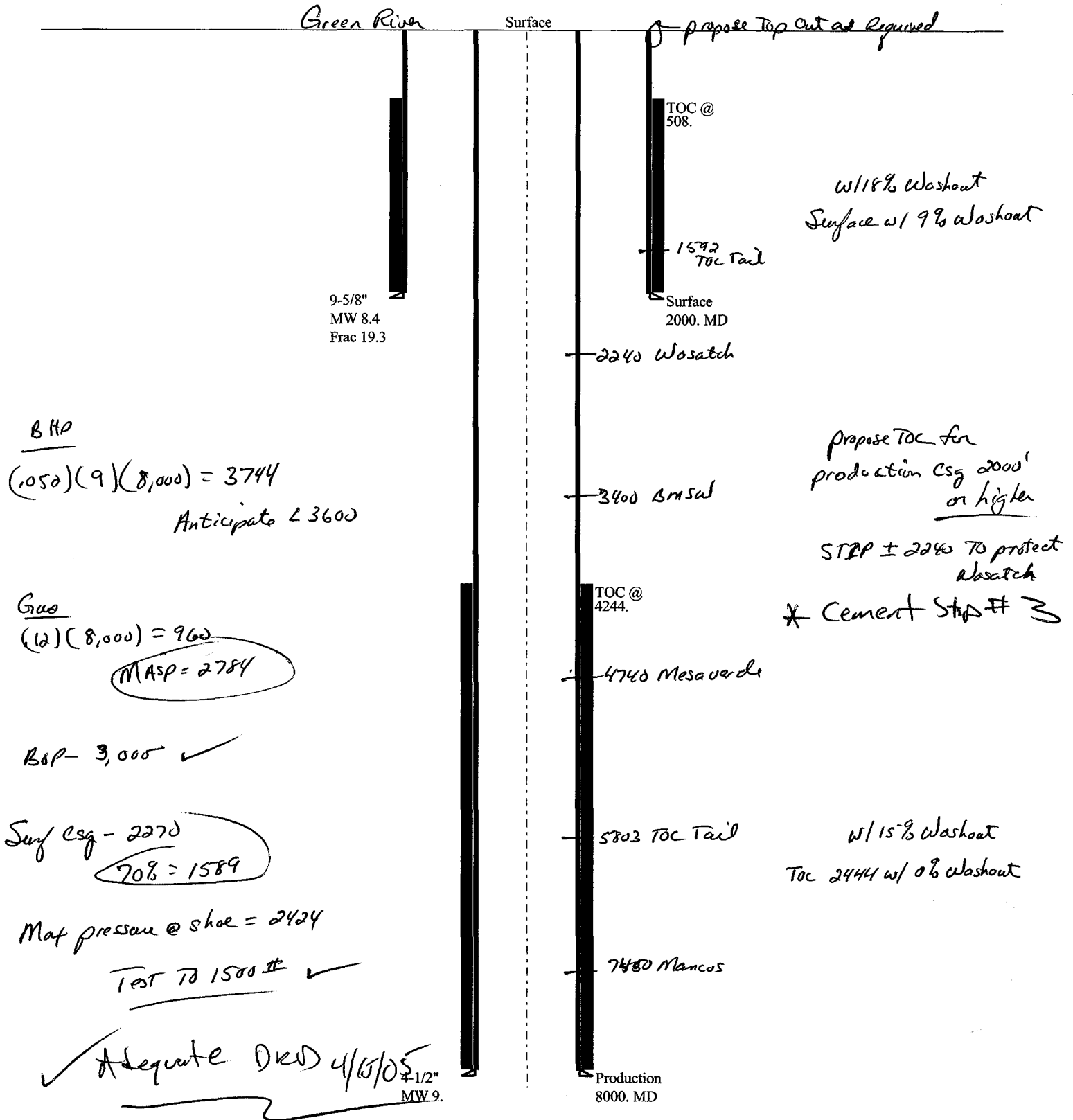
Prepared by: Clinton Dworshak
Utah Div. of Oil & MiningPhone: 801-538-5280
FAX: 801-359-3940Date: April 12, 2005
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 8000 ft, a mud weight of 9 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

Casing Schematic



**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 18, 2005

Slate River Resources, LLC
418 East Main Street
Vernal, Utah 84078

Re: Uintah Oil Association 1321-6G Well, 1787' FNL, 2108' FEL, SW NE,
Sec. 6, T. 13 South, R. 21 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36370.

Sincerely,

A handwritten signature in black ink, appearing to read "J.R. Baza".

John R. Baza
Associate Director

jc
Enclosures

cc: Uintah County Assessor

Operator: Slate River Resources, LLC
Well Name & Number Uintah Oil Association 1321-6G
API Number: 43-047-36370
Lease: Fee

Location: SW NE **Sec.** 6 **T.** 13 South **R.** 21 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

5. Cement volume for the 4 ½" production string shall be determined from actual hole diameter in order to place cement from the pipe setting depth back to 2000' MD as indicated in the submitted drilling plan.

6. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

Page 2

API # 43-047-36370

April 18, 2005

7. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

418 E. Main Street
Vernal, UT 84078
Office: 435-781-1870
Fax: 435-781-1875

**SLATE RIVER
RESOURCES, LLC**

Fax

To:	Dustin Duett	From:	Lucy Nemec
Company	DOGM	Company	Slate River Resources
Fax:	801-358-3940	Pages:	5
Phone:		Date:	5/20/05
Re:	Casing APD Amendments	cc:	

☐ Urgent ☒ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

• **Comments:**

Please call if you have any questions 435-781-1870

Lucy

RECEIVED
MAY 20 2005
DIV. OF OIL, GAS & MINING

FORM 1

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

1. Type of Well: OIL ☐ GAS ☒ OTHER: **CONFIDENTIAL**2. Name of Operator:
SLATE RIVER RESOURCES, LLC3. Address and Telephone Number:
418 E. MAIN VERNAL, UT 840784. Location of Well:
Footage: 1787' FNL & 2108' FEL
QQ, Sec., T., R., M.: SW/NE SEC 6 T13S R21E SLC MERIDIANCountry: UTAH
State: UT

5. Lease Designation and Serial Number:

FEE

6. If Indian, Alutian or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:
UTAH OIL ASSOC. 1321-6G9. API Well Number:
43-047-3637010. Field and Pool, or Wildcat:
WILDCAT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

- | | |
|---|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input checked="" type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other | |

Approximate date work will start 5/26/2005

SUBSEQUENT REPORT

(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other | |

Date of work completion _____

Report results of Multiple Completions and Recompletions to different reservoirs on WELL
COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Slate River Resources requests approval to amend the depth of the surface casing in the previously approved APD from 2000' to 800'.

We expect to encounter the "Bird's Nest" at an approximate depth of 300' - 500' below ground level. Surface casing to be run will remain the same: New 9-5/8" 32# H-40 ST&C casing.

The cementing program will remain the same with the exception of the cement volume which will be based on the shorter depth.

13.

Name and Signature: Lucy Nemes

Lucy Nemes

Title: SR. Operations SpecDate: May 20, 2005

(This space for State use only.)

COPY SENT TO OPERATOR

Date: 5-24-05Initials: CHD

(4/04)

(See Instructions on Reverse Side)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MININGDATE: 5/23/05
BY: [Signature]

RECEIVED

MAY 20 2005

DIV. OF OIL, GAS & MINING

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: SLATE RIVER RESOURCES LLC

Well Name: UINTAH OIL ASSOC 1321-6G

Api No: 43-047-36370 Lease Type: FEE

Section 06 Township 13S Range 21E County UINTAH

Drilling Contractor PETE MARTIN RIG # BUCKET

SPUDDED:

Date 05/28/05

Time 11:00 AM

How DRY

Drilling will Commence: _____

Reported by LUCY NEMEC

Telephone # 1-435-781-1870

Date 06/01/2005 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Slate River Resources, LLCOperator Account Number: N 2725Address: 418 E. Main Suite 18city Vernalstate Utzip 84078Phone Number: (435) 781-1870

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304736370	Uintah Oil Association 1321-6G	SWNE	6	13S	21E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	14740	5/27/2005	6/2/05		
Comments: MIRU Pete Martin Rathole Rig <i>MNCS</i> Spud @ 3:00 p.m. 5/27/05						

CONFIDENTIAL

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304736372	Uintah Oil Association 1321-7A	NENE	7	13S	21E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	14741	5/25/2005	6/2/05		
Comments: MIRU Pete Martin Rathole Rig <i>MNCS</i> Spud @ 10:00 a.m. 5/25/05						

CONFIDENTIAL

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304736384	Mustang 1320-11	NESE	1	13S	20E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
A	99999	14742	5/28/2005	6/2/05		
Comments: MIRU Pete Martin Rathole Rig <i>MNCS</i> Spud @ 4:00 p.m. 5/28/05						

CONFIDENTIAL

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Lucy Nemec

Name (Please Print)

Signature

Sr. Operations Specialist

Title

5/31/2005

Date

(5/2000)

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JUN 01 2005

DIV. OF OIL, GAS & MINING

FORM 9

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals1. Type of Well: OIL ☐ GAS ☒ OTHER: **CONFIDENTIAL**2. Name of Operator:
SLATE RIVER RESOURCES, LLC3. Address and Telephone Number:
418 E. MAIN VERNAL, UT 84078

4. Location of Well:

Footages: 1787' FNL & 2108' FEL

QQ, Sec., T., R., M.: SW/NE SEC 6 T13S R21E SLC MERIDIAN

County: UINTAH
State: UT

5. Lease Designation and Serial Number:

FEE

6. If Indian, Allottee or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

UINTAH OIL ASSOC. 1321-8G

9. API Well Number:

43-047-36370

10. Field and Pool, or Wildcat:

WILDCAT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other | |

Approximate date work will start

SUBSEQUENT REPORT

(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other | SPUD NOTICE |

Date of work completion 5/27/2005

Report results of Multiple Completions and Recompletions to different reservoirs on WELL
COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Pete Martin Rathole Drilling MI&RU RHR. The well was spud at 3:00 p.m. on 5/27/05.
40' of 14" conductor pipe was cemented with 3 yards of ready-mix cement.

5/29/2005

Bill Jr. Rathole Drilling, Inc. MI&RU. Drilled a 12-1/4" surface hole to 840'. Set 805.20' (18 Jts) of 9-5/8" 32# H-40 ST&C with 450 sx Premium Class "G" Cement W/2% CaCl₂, 1/4#/sx floccle. Good cement to surface. RDMOL. WO Rotary tool.

13.

Name and Signature:

Lucy Namec

Title:

SR. Operations Spec

Date:

June 2, 2005

(This space for State use only.)

(4/94)

(See Instructions on Reverse Side)

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JUN 02 2005

OIL, GAS & MINING

43-047-36370

**APPLICATION FOR TRANSPORTATION AND
UTILITY SYSTEMS AND FACILITIES
ON FEDERAL LANDS**

4304736370
135 21E 06

FORM APPROVED
OMB NO. 1004-0060

Expires: December 31, 2001

FOR AGENCY USE ONLY

NOTE: Before completing and file application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with help of the representative, the application can be completed at the application meeting.

Application Number

Date Filed

1 Name and address of the applicant (include Zip code)

**Slate River Resources, LLC
418 E Main
Vernal, UT 84078**

2 Name, title, and address of authorized agent if different from item 1 (include zip code)

**Ginger Stringham
PO BOX 790203
Vernal, UT 84079**

3 TELEPHONE (area code)

Applicant

435-781-1871

Authorized Agent

435-790-4163

4

- a ☐ Individual
b ☒ Corporation*
c ☐ Partnership/Association*
d ☐ State Government/State Agency
e ☐ Local Government
f ☐ Federal Agency

* If checked complete supplemental page

6 If an individual, or partnership are you a citizen(s) of the United States?

7 Project description (describe in detail): (a) Type of system or facility, e.g., canal, pipeline, road); (b) related structures and facilities; (c) physical specifications (length, width, grade, etc.); (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of production to be transported; (g) duration and time of construction; and (h) temporary work area needed for construction (Attach additional sheets, if additional space is needed.)

- a. Application for pipeline right-of-way to serve Agency Draw area.
b. Five staging areas will be constructed of Federal and State Lands.
c. Approximately 21,820.99 ft, temporary width 45 ft, permanent width 15 ft.
d. 20 years or the production life of the well.
e. year round .
f. Please see attached POD
g. One week.
h. none.**

8 Attach a map covering area and show location of proposal

9 State or Local government approval ☐ Attached ☒ Applied for ☐ Not Required

10 Nonreturnable application fee: ☒ Attached ☐ Not Required

11 Does Project cross international or affect international waterways? ☐ Yes ☒ No

12 Give statement of your technical and financial capability to conduct, operate, maintain, and terminate system for which authorization is being requested
Slate River Resources, LLC has the technical and financial capability to construct, operate, maintain and terminate the proposed pipeline.

(continued on reverse)

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SEP 9 / 2005

This form is authorized for local reproduction.
DIV. OF OIL, GAS & MINING

- 13 a Describe other reasonable alternative routes and routes considered.

An alternative would be to bury the gathering line. Alternate routes were considered, but due to T&E species, the alternate route was discounted.

- b Why were these alternatives not selected

Loss of habitat, habitat fragmentation, and existing routes were determining factors in not choosing an alternative route.

- c Give explanation as to why it is necessary to cross Federal Lands.

It is necessary to cross Federal lands to access Fee lands in Agency Draw and avoid curtailment of gas from the area.

- 14 List authorization and pending application filed for similar projects which may provide information to authorizing agency. (specify number, date, code, or name)

**Miller, Dyer and Associates have a paralleled gas line within the proposed route.
Application**

- 15 Provide statement of need for project, including the economic feasibility and items as: (a) cost of proposal (construction, operation, and maintenance); (b) estimated cost of next best alternative; and (c) expected public benefits.

a. The cost estimate for the proposed project is \$650,000.

b. The cost estimate for the alternative would be \$5/ft of installed buried gas gathering line.

c. The expected public benefit is increase local jobs and less dependency on foreign oil & gas.

- 16 Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.

There will be no significant impacts on the areas population, social or economic aspects or the rural lifestyle from the proposed project.

- 17 Describe likely environmental effects project will have on: (a) air quality; (b) visual impacts; (c) surface and ground water quality and Quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land including vegetation, permafrost, soil, and soil stability.

a. minimal

d. no change

b. minimal

e. minimal

c. minimal

f. slight disturbance when pipeline is boomed off access.

- 18 Describe the probable effects that the proposed project will have on (a) populations of fish, plantlike, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals.

a. There will be little or no impacts on fish, plantlife, wildlife, and threatened and endangered species

b. NA

- 19 State whether any hazardous material, as defined in this paragraph, will be used, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous Material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 6901 et seq., and its regulations. The term hazardous material also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or described as a hazardous substance, under CERCLA Section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.

Less than one gallon per day of methanol could be used to minimize freezing in the winter months.

- 20 Name all the Department(s)/Agency(ies) where this application is being filed.

Bureau of Land Management, Vernal Field Office. Vernal, UT

Cc: Utah Division of Oil, Gas and Mining.

THEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained the information contained in the application and believe that the formation submitted in correct to the best of my knowledge.

Signature of applicant



Date

8/25/2005

Titl 18, U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the Utah States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

PLAN OF DEVELOPMENT

Sunday School Canyon Pipeline

Sections 1, 2, 3, 9, 10 of Township 13S, Range 21East
Section 36 of Township 12 South, Range 21East
Sections 30 & 31 of Township 12 South, Range 22 East
S.L.B. & M.
Uintah County, Utah

Slate River Resources, LLC is proposing to construct an 8" surface pipeline to transport developed gas within the Agency Draw area. The proposed project is estimated to cost approximately \$650,000 to construct and commission the pipeline. This project will allow gas sales from the Fee leases presently under development. The project is necessary to prevent gas curtailment from the Agency Draw area.

The following leases will be gathered from Slate River Resources Agency Draw Area:

Eagle Minerals Ltd. Oil and Gas Lease (Fee)	19,199.80 acres, more or less
Uintah Oil Association Oil & Gas Lease (Fee)	2,038.96 acres, more or less
Utah Oil Shales, Inc. Oil & Gas Lease (Fee)	<u>2,278.69</u> acres, more or less
Total Fee Acreage Under Development	23,517.45 acres, more or less

The pipeline and route will begin in the NE ¼ of the SE ¼ in Section 9, Township 13S, Range 21 East and proceed to the northeast, follow the existing roads and travel cross country, terminating in the SE¼ of the SW¼ of section 30, Township 12S, Range 22E which will be proximately 29,019.25' in length, 45' in width for construction and 15' permanent width. An 8" nominal, 8-5/8" OD x 0.188 WT, burst pressure of 1,140 psi pipeline will be placed in the route to transport the produced natural gas to markets. The estimated operating pressure of the pipeline will range from 300 psig to 900 psig.

The following information is provided as a supplement to the summary information included in the application.

Description of the Proposed Pipeline

Purpose and Need for the Right of Way

Gas production is being developed from the Agency Draw gas field and local gathering lines are economically inaccessible or provide very limited capacity to move the Agency Draw gas to market. Slate River Resources, LLC has drilled and logged the first well on the Fee lease position and intends to complete the well during August 2005. Additional wells will be drilled utilizing a single, continuous drilling rig and completion rig program. The ongoing program would be curtailed, and development on the Fee leases would halt due to a lack of pipeline capacity or a viable, economical transport pipeline to move the gas to market.

The below mentioned wells are currently capable of producing, drilling or proposed within the Agency Draw area which are part of the curtailment of gas:

Township 13S, Ranges 20E & 21E, Uintah County, Utah

Well	Field	Lease #	Spot	S-T-R
UOS #1321- 9P	Agency Draw	Utah Oil Shales	SESE	9-13S-21E
Mustang #1320- 1I	Agency Draw	Eagle Minerals Ltd	NESE	1-13S-20E
UOA #1321- 6G	Agency Draw	Uintah Oil Association	SWNE	6-13S-21E
UOA #1321- 7A	Agency Draw	Uintah Oil Association	NENE	7-13S-21E
UOA #1321- 8C	Agency Draw	Uintah Oil Association	NENW	8-13S-21E
UOS #1321- 9L	Agency Draw	Utah Oil Shales	NWSW	9-13S-21E
Mustang #1321- 7F	Agency Draw	Eagle Minerals Ltd	SESW	7-13S-21E
Mustang #1320-12A	Agency Draw	Eagle Minerals Ltd	NENE	12-13S-20E
Mustang #1321- 6C	Agency Draw	Eagle Minerals Ltd	NENW	6-13S-21E
UOS #1321- 8A	Agency Draw	Utah Oil Shales	NENE	8-13S-21E
Mustang #1321- 6N	Agency Draw	Eagle Minerals Ltd	SESW	6-13S-21E

Additional wells are planned for the area and development will continue for several years with approximately 25 wells developed per year.

Pipeline Design and Construction Factors

The pipeline will be of welded construction and have an operating pressure range of 300-900 psig. The pipe will be 8" nominal, 8.625" OD x 0.188 WT with a design burst of 1,140 psi. The line will be a surface line used to transport the produced Agency Draw gas to markets. Above ground piping will be bare and below grade piping will be coated with an appropriate material to prevent corrosion and premature failure. The line will be designed in accordance with API and industry standards for non-regulated gathering lines.

Installation of the pipeline segment in the NE¼ of NW¼ of Section 10, Township 13 South, Range 21E will involve a steep grade descent. A staging area at the top of the grade will be used for pipe welding, and the pipe will be lowered down the grade to the base in the Willow Creek bottom. The staging area will be 60' wide by 100' in length and will be reclaimed to the 15' ROW width following the descent segment construction. The pipeline will be anchored to at the top of the decent by boring into the rock and installing anchor supports. Five staging area's for construction of the pipeline are included in the attached map and will be shared and reclaimed with Miller, Dyer and Associates.

The pipeline proceeds to the northeast and will cross the Willow Creek in the NW¼ of the NE¼ of Section 10, Township 13S, Range 21E. The crossing will span the Willow Creek on supports constructed to elevate the pipeline above high water stream flows.

Construction

The proposed 8" surface line will be buried at road crossings. All buried pipe will be coated with an appropriate material to inhibit external corrosion. A backhoe or other trenching equipment will be utilized during construction. All welded line pipe will be visually inspected, and the entire pipeline will be pressure tested before being placed into service. Blasting of rock will only occur where topography is too severe to use trenching equipment and only to reach the required depth to lay the pipeline in. During construction, a 45' wide access will be required to get the required equipment into the proposed pipeline route for trenching. Upon completion of construction the pipeline will be a 15' right-of-way.

The below mentioned wells are currently capable of producing, drilling or proposed

within the Agency Draw area which are part of the curtailment of gas:

Township 13S, Ranges 20E & 21E, Uintah County, Utah

Well	Field	Lease #	Spot	S-T-R
UOS #1321- 9P	Agency Draw	Utah Oil Shales	SESE	9-13S-21E
Mustang #1320- 1I	Agency Draw	Eagle Minerals Ltd	NESE	1-13S-20E
UOA #1321- 6G	Agency Draw	Uintah Oil Association	SWNE	6-13S-21E
UOA #1321- 7A	Agency Draw	Uintah Oil Association	NENE	7-13S-21E
UOA #1321- 8C	Agency Draw	Uintah Oil Association	NENW	8-13S-21E
UOS #1321- 9L	Agency Draw	Utah Oil Shales	NWSW	9-13S-21E
Mustang #1321- 7F	Agency Draw	Eagle Minerals Ltd	SENE	7-13S-21E
Mustang #1320-12A	Agency Draw	Eagle Minerals Ltd	NENE	12-13S-20E
Mustang #1321- 6C	Agency Draw	Eagle Minerals Ltd	NENW	6-13S-21E
UOS #1321- 8A	Agency Draw	Utah Oil Shales	NENE	8-13S-21E
Mustang #1321- 6N	Agency Draw	Eagle Minerals Ltd	SESW	6-13S-21E

After construction is completed, the pipeline right-of-way will be 15 ft wide.

Alternative Route

An alternative route was not selected due to the additional disturbance necessary for routes not utilizing the existing roads.

Noxious Weeds

Along the 15 ft wide right-of-way the operator will control noxious weeds, which meet the prescription of the authorized BLM Office, State Division of Oil, Gas and Mining, and the Private Land Owner.

Additional Components of the Right of Way

Governmental Agency Involvement

Paved roads will not be crossed by the proposed pipeline. Dirt roads will be cut and restored to a condition equivalent to the existing condition. The pipeline will cross Uintah County Roads #2810 and #5120. The County will be contacted and an agreement and bonding will be provided for the crossings.

Right of Way Location

A location survey map prepared by Timberline Land Surveying is attached.

Resource Values and Environmental Concerns

A Cultural Resource Inventory will not be filed unless requested by the land owner.

A Paleontological report will not be filed unless requested by the land owner.

The proposed project will have minimal short-term environmental effects. During construction dust generation will have a minimal effect on air quality and minimal visual impact. The construction area contains sparse natural vegetation, which will be

naturally reclaimed once construction is complete. Additionally, the project will be within or adjacent to the existing rights-of-way which have experienced previous surface disturbances. All construction activities will be performed to retain all natural water flows; therefore, there will be minimum impact to streams and/or other bodies of water.

The proposed project will have no adverse effects on fish or marine life.

Scheduling

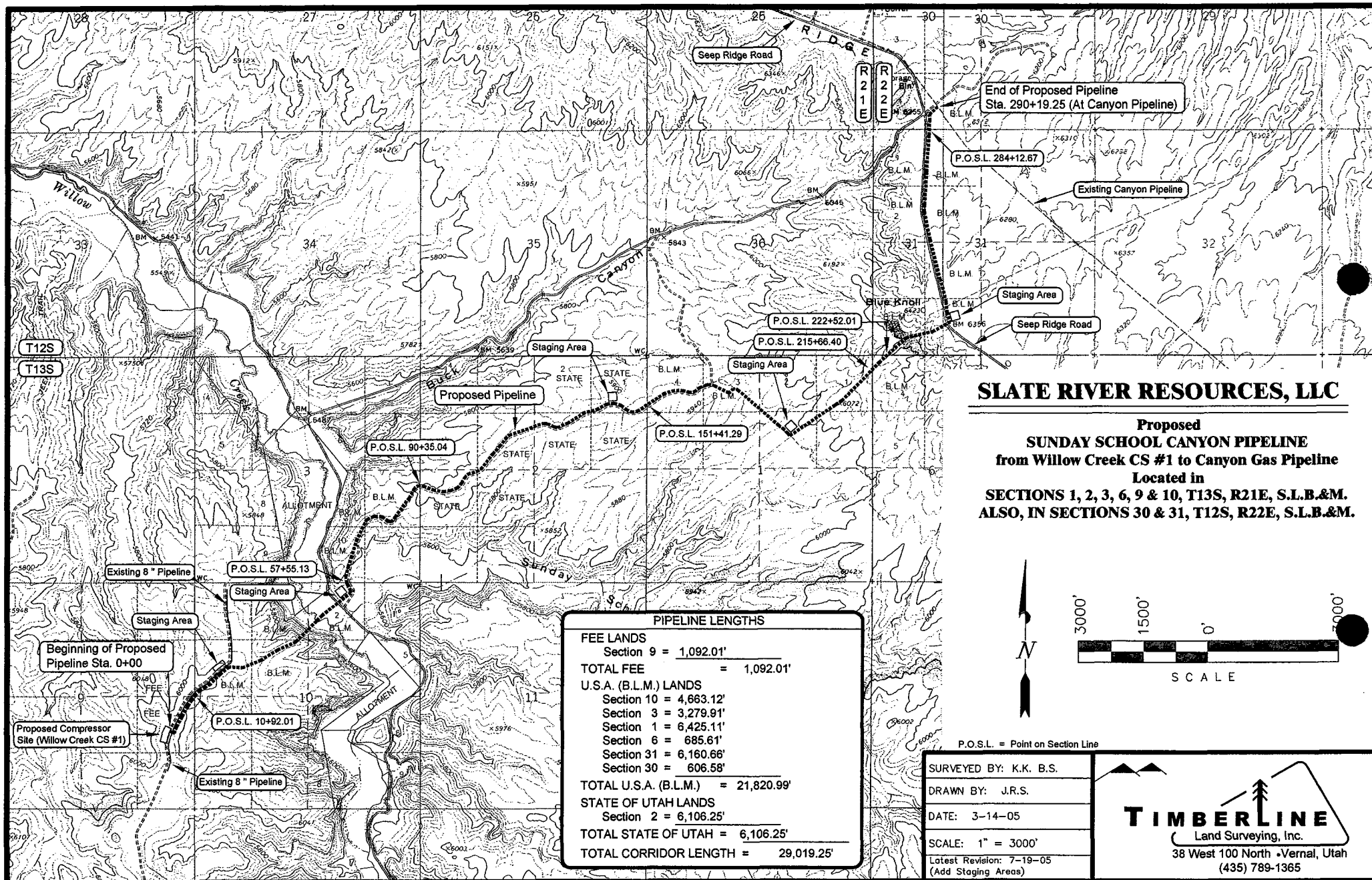
Begin Construction: October 1, 2005

In Service Date: November 1, 2005

Upon approval of the rights-of-way Slate River Resources, LLC plans on construction of the pipeline. The above schedule is dependent upon the approval and stipulations.

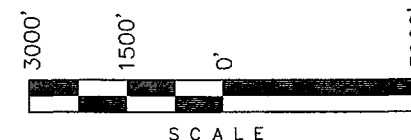
Termination and Restoration

Slate River Resources, LLC, or its successor will remove and dispose of the 8" pipeline and properly abandon the route when the pipeline is no longer needed for gas gathering and transportation. At that time, the right-of-way would be terminated and reclaimed to the requirements of the Bureau of Land Management, Vernal Field office, State of Utah and the private land owner.



SLATE RIVER RESOURCES, LLC

Proposed
SUNDAY SCHOOL CANYON PIPELINE
 from Willow Creek CS #1 to Canyon Gas Pipeline
 Located in
SECTIONS 1, 2, 3, 6, 9 & 10, T13S, R21E, S.L.B.&M.
ALSO, IN SECTIONS 30 & 31, T12S, R22E, S.L.B.&M.



PIPELINE LENGTHS

FEE LANDS	
Section 9 =	1,092.01'
TOTAL FEE	= 1,092.01'
U.S.A. (B.L.M.) LANDS	
Section 10 =	4,663.12'
Section 3 =	3,279.91'
Section 1 =	6,425.11'
Section 6 =	685.61'
Section 31 =	6,160.66'
Section 30 =	606.58'
TOTAL U.S.A. (B.L.M.)	= 21,820.99'
STATE OF UTAH LANDS	
Section 2 =	6,106.25'
TOTAL STATE OF UTAH =	6,106.25'
TOTAL CORRIDOR LENGTH =	29,019.25'

P.O.S.L. = Point on Section Line

SURVEYED BY: K.K. B.S.

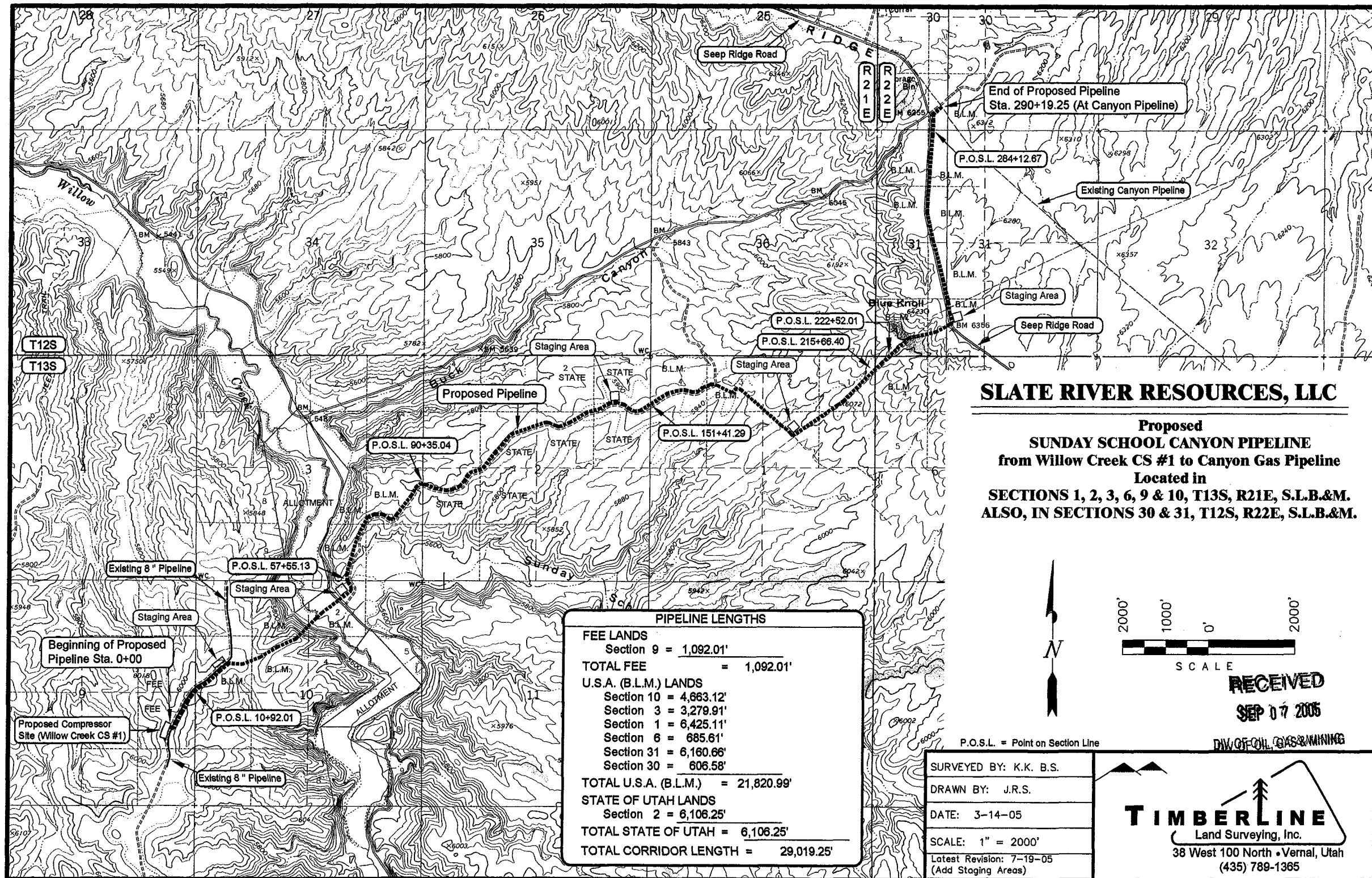
DRAWN BY: J.R.S.

DATE: 3-14-05

SCALE: 1" = 3000'

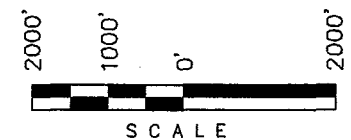
Latest Revision: 7-19-05
 (Add Staging Areas)

TIMBERLINE
 Land Surveying, Inc.
 38 West 100 North • Vernal, Utah
 (435) 789-1365



SLATE RIVER RESOURCES, LLC

**Proposed
SUNDAY SCHOOL CANYON PIPELINE**
from Willow Creek CS #1 to Canyon Gas Pipeline
Located in
SECTIONS 1, 2, 3, 6, 9 & 10, T13S, R21E, S.L.B.&M.
ALSO, IN SECTIONS 30 & 31, T12S, R22E, S.L.B.&M.



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SEP 07 2005

DIV. OF OIL, GAS & MINING

PIPELINE LENGTHS	
FEE LANDS	
Section 9 =	1,092.01'
TOTAL FEE	= 1,092.01'
U.S.A. (B.L.M.) LANDS	
Section 10 =	4,663.12'
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STATE OF UTAH LANDS	
Section 2 =	6,106.25'
TOTAL STATE OF UTAH	= 6,106.25'
TOTAL CORRIDOR LENGTH	= 29,019.25'

P.O.S.L. = Point on Section Line

SURVEYED BY: K.K. B.S.
DRAWN BY: J.R.S.
DATE: 3-14-05
SCALE: 1" = 2000'
Latest Revision: 7-19-05 (Add Staging Areas)

TIMBERLINE
Land Surveying, Inc.
38 West 100 North • Vernal, Utah
(435) 789-1365

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT -" for such proposals		5. Lease Designation and Serial Number: <p style="text-align: center;">FEE</p>
1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER: _____		6. If Indian, Allottee or Tribe Name: _____ 7. Unit Agreement Name: _____
2. Name of Operator: <p style="text-align: center;">SLATE RIVER RESOURCES, LLC</p>		8. Well Name and Number: <p style="text-align: center;">UINTAH OIL ASSOC. 1321-6G</p>
3. Address and Telephone Number: <p style="text-align: center;">418 E. MAIN VERNAL, UT 84078</p>		9. API Well Number: <p style="text-align: center;">43-047-36370</p>
4. Location of Well: Footages: 1787' FNL & 2108' FEL QQ, Sec., T., R., M.: SW/NE SEC 6 T13S R21E SLC MERIDIAN		10. Field and Pool, or Wildcat: <p style="text-align: center;">WILDCAT</p>
		County: UINTAH State: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____ </div> <div style="width: 48%;"> <input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off </div> </div>	<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Abandon* <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Set & Cement Production Casing</u> </div> <div style="width: 48%;"> <input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off </div> </div>
Approximate date work will start _____	Date of work completion <u>10/3/2005</u> Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

9/17 - 10/3/2005

MIRU Union Rig #7. Drilled a 7-7/8" hole from 840' - 7610'.

Ran 180 jts of new 4-1/2" 11.60# M-80 LT&C casing and set @ 7610'.

Big 4 Cementing cemented production casing with 1335 sx cement as follows:

Lead - 410 sx of 16% Gel - 10# sk Gilsonite, 3% salt, 1/4# flocele, 3# sk GR-3

Tail - 925 sx - 50/50 2% gel, 10% salt, 2% FLD .2% dispersant, 1/4# sk flocele

Good returns during job. Approx 15 bbl (22 sks) lead cmt to pit.

Rig Released @ 1200 midnight 10/3/05. RDMOL. WO Completion Rig

13. Name and Signature: Lucy Nemes Title: SR. Operations Spec Date: 27-Dec-05
 Lucy Nemes

(This space for State use only.)

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DEC 29 2005

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*						5. LEASE DESIGNATION AND SERIAL NO FEE	
						6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
1a. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____ 1b. TYPE OF COMPLETION NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____						7. UNIT AGREEMENT NAME	
						8. FARM OR LEASE NAME, WELL NO Uintah Oil Association 1321-6G	
2. NAME OF OPERATOR Slate River Resources LLC						9. API NO 43-047-36370	
3. ADDRESS AND TELEPHONE NO 418 E. Main St. Suite 18, Vernal, UT 84078 435-781-1870						10. FIELD AND POOL OR WILDCAT WILDCAT	
4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements) At Surface 1787' FNL, 2108' FEL At top prod. Interval reported below At total depth						11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA SW/NE SEC 6, T13S, R21E SL&M	
						12. COUNTY UINTAH	
						13. STATE UTAH	
14. DATE SPUDDED 5/27/05		15. DATE T.D. REACHED 10/1/05		16. DATE COMPL. (Ready to prod. or Plug & Abandon <input type="checkbox"/> Ready to Prod <input checked="" type="checkbox"/> CIBP @		17. ELEVATIONS (DF, RKB, RT, GR, ETC.) 5826 GL, 5841.6 KB	
18. TOTAL DEPTH, MD & TVD 7610' MD 7610' TVD		19. PLUG, BACK T.D., MD & TVD 7564 TD 7564 MD 7564 TVD		20. IF MULTIPLE COMPL., HOW MANY 3		21. DEPTH BRIDGE PLUG SET TVD	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD) Blackhawk 7414 - 7333, Sego 6840 - 6748, Mesaverde 6384 - 5288 MD & TVD						25. WAS DIRECTIONAL SURVEY MADE NO	
26. TYPE ELECTRIC AND OTHER LOGS RUN HRI/ SD/DSN, CBL				27. WAS WELL CORED YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> Sidewall cores DRILL STEM TEST YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> (See reverse side)			
23. CASING RECORD (Report all strings set in well)							
CASING SIZE		WEIGHT, LB./FT.		DEPTH SET (MD)		HOLE SIZE	
9-5/8" H-40		32-30#		805		12-1/4"	
4-1/2" M-80		11.60#		7610		7-7/8"	
						450 Sks Prem "G" Cement top: su	
						410 sxs Lead, 925 sks Tail "GR3" C	
						TOC @ surface	
						None	
						None	
29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	7212'	
31. PERFORATION RECORD (Interval, size and number) MURD				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
INTERVAL		SIZE		NUMBER		DEPTH INTERVAL (MD)	
See attached						AMOUNT AND KIND OF MATERIAL USED	
						7414 - 7333 53,345# 20/40 White Sand Avg Rate 27 BPM	
						6840 - 6748 70,998# 20/40 White Sand Avg Rate 18 BPM	
						6384 - 6389 23,297# 20/40 White Sand Avg Rate 14.2 BPM	
						6231 - 6120 37,441# 20/40 White Sand, Avg Rate 20.3 BPM	
33.* PRODUCTION							
DATE FIRST PRODUCTION SIWOPL		PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)					WELL STATUS (Producing or shut-in) SIWOPL
DATE OF TEST 11/3/05	HOURS TESTED 24	CHOKE SIZE 24/64	PROD'N FOR TEST PERIOD →	OIL--BBL. 0	GAS--MCF. 1015	WATER--BBL. 5	GAS-OIL RATIO 100:0
FLOW. TUBING PRESS. 266	CASING PRESSURE 858	CALCULATED 24-HOUR RATE →	OIL--BBL. 0	GAS--MCF. 1015	WATER--BBL. 5	OIL GRAVITY-API (CORR.)	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SIWOPL						TEST WITNESSED BY	
35. LIST OF ATTACHMENTS Additional perf and frac intervals							
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records							

SIGNED

TITLE **Sr. Operations Specialist**DATE **1/3/2006**

See Spaces for Addition Data on Reverse Side

RECEIVED**JAN 05 2006**

DIV. OF OIL, GAS & MINING

INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.				38. GEOLOGIC MARKERS		
Formation	Top	Bottom	Description, contents, etc.	Name	Meas. Depth	Top True Vert. Depth
Wasatch	2450		Shale			
Mesaverde	4475		Sandstone & Shale			
Castlegate	6799		Shale & Sandstone, Trace of Coal			
Mancos	7068		Shale & Sandstone, Trace of Coal			
Blackhawk	7214		Shale & Sandstone			
CONFIDENTIAL						

Attachment to Completion Report

UINTAH OIL ASSOCIATION #1321-6G

27. PERFORATION RECORD

3-1/8" Barrel Gun

<u>Formation</u>	<u>Interval</u>	<u>No Holes</u>	<u>Status</u>
Blackhawk	7414 - 7416	4 2 SPF	Open
Blackhawk	7354 - 7360	12 2 SPF	Open
Blackhawk	7331 - 7333	4 2 SPF	Open
Sego	6840 - 6843	6 2 SPF	Open
Sego	6776 - 6778	4 2 SPF	Open
Sego	6746 - 6748	4 2 SPF	Open
Mesaverde	6384 - 6389	10 2 SPF	Open
Mesaverde	6231 - 6233	4 2 SPF	Open
Mesaverde	6201 - 6204	6 2 SPF	Open
Mesaverde	6118 - 6120	4 2 SPF	Open
Mesaverde	5452 - 5456	8 2 SPF	Open
Mesaverde	5285 - 5288	6 2 SPF	Open
Total		72	

28. FRAC HISTORY (cont'd)

Depth of Interval

5456 - 5285 101,649# 20/40/ White sand, Avg rate 20.6 BPM

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STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT -" for such proposals		5. Lease Designation and Serial Number: FEE
		6. If Indian, Allottee or Tribe Name:
		7. Unit Agreement Name:
1. Type of Well: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER:		8. Well Name and Number: UINTAH OIL ASSOC. 1321-6G
2. Name of Operator: SLATE RIVER RESOURCES, LLC		9. API Well Number: 43-047-36370
3. Address and Telephone Number: 418 E. MAIN VERNAL, UT 84078		10. Field and Pool, or Wildcat: WILDCAT
4. Location of Well: Footages: 1787' FNL & 2108' FEL County: UINTAH QQ, Sec., T., R., M.: SW/NE SEC 6 T13S R21E SLC MERIDIAN State: UT		

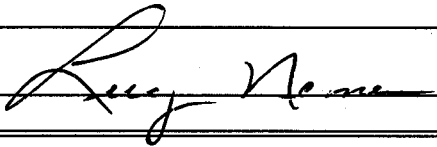
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)	SUBSEQUENT REPORT (Submit Original Form Only)
<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Abandon <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input type="checkbox"/> Multiple Completion <input type="checkbox"/> Other _____ </div> <div style="width: 48%;"> <input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Recomplete <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off </div> </div>	<div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> Abandon* <input type="checkbox"/> Repair Casing <input type="checkbox"/> Change of Plans <input type="checkbox"/> Convert to Injection <input type="checkbox"/> Fracture Treat or Acidize <input checked="" type="checkbox"/> Other <u>Placed on Production</u> </div> <div style="width: 48%;"> <input type="checkbox"/> New Construction <input type="checkbox"/> Pull or Alter Casing <input type="checkbox"/> Reperforate <input type="checkbox"/> Vent or Flare <input type="checkbox"/> Water Shut-Off </div> </div>
Approximate date work will start _____	Date of work completion <u>1/25/2006</u> <small>Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form. * Must be accompanied by a cement verification report.</small>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Slate River Resources reports the Uintah Oil Association 1321-6G, referenced above, was placed on production on 1/25/06

CONFIDENTIAL

13. Name and Signature:  Title: SR. Operations Spec Date: 30-Jan-06
 Lucy Nemec

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 FEB 01 2006
 DIV. OF OIL, GAS & MINING

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.

CONFIDENTIAL1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator:

SLATE RIVER RESOURCES, LLC

3. Address and Telephone Number:

418 E. MAIN VERNAL UT 84078

4. Location of Well:

Fees:

See attached

G.G. Sec. T., R., M.:

5. Lease Designation and Serial Number:

FEE

6. If Indian, Alutian or Tribe Name:

7. Unit Agreement Name:

8. Well Name and Number:

See attached

9. API Well Number:

43-147-31370

10. Field and Pool or Wides:

County: UTAH

State: UT

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT

(Submit in Duplicate)

- | | |
|--|---|
| <input type="checkbox"/> Abandon | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Recomplete |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Multiple Completion | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Other Disposal of Produced Water | |

Approximate date work will start 1/25/2006

SUBSEQUENT REPORT

(Submit Original Form Only)

- | | |
|--|---|
| <input type="checkbox"/> Abandon* | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans | <input type="checkbox"/> Reperforate |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Vent or Flare |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Other | |

Date of work completion

Report results of Multiple Completions and Recompletions to different reservoirs on WELL

COMPLETION OR RECOMPLETION REPORT AND LOG form.

* Must be accompanied by a cement verification report.

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Slate River Resources LLC requests approval to dispose of produced water at either one or both of the approved disposal sites listed below for the attached list of producing wells.

Dalbo/Ace
6848 W. Hwy 40
Vernal, UT

Dalbo Inc. Glen Bench Disposal
26800 S. Glen Bench Road
Vernal, Utah

COPY SENT TO OPERATOR
Date: 10-13-06
Initials: RM

13.

Name and Signature:

Title: SR Operations Specialist

Date: 11-Sep-06

(This space for State use only.)

Accepted by the
Utah Division of
Oil, Gas and Mining

(4/84) Date: 10-12-06
By:

(See instructions on Reverse Side)

RECEIVED

OCT 12 2006

DIV. OF OIL, GAS & MINING

SLATE RIVER RESOURCES LLC
AGENCY DRAW PRODUCING WELLS
OCTOBER 12, 2006

Well	Field	Lease	API #	Spot	Description S-T-R	County	State
UOS #1321- 9P	Agency Draw	Fee	43-047-36375	SESE	9-13S-21E	Uintah	Utah
Mustang #1320- 1I	Agency Draw	Fee	43-047-36384	NESE	1-13S-20E	Uintah	Utah
UOS #1321- 9L	Agency Draw	Fee	43-047-36376	NWSW	9-13S-21E	Uintah	Utah
UOA #1321- 7A	Agency Draw	Fee	43-047-36372	NENE	7-13S-21E	Uintah	Utah
UOA #1321- 6G	Agency Draw	Fee	43-047-36370	SWNE	6-13S-21E	Uintah	Utah
UOA #1321- 8C	Agency Draw	Fee	43-047-36373	NENW	8-13S-21E	Uintah	Utah
Mustang #1321- 7F	Agency Draw	Fee	43-047-36371	SENE	7-13S-21E	Uintah	Utah
Mustang #1320-12A	Agency Draw	Fee	43-047-36369	NENE	12-13S-20E	Uintah	Utah
Mustang #1321- 6C	Agency Draw	Fee	43-047-36383	NENW	6-13S-21E	Uintah	Utah
UOS #1321- 8A	Agency Draw	Fee	43-047-36374	NENE	8-13S-21E	Uintah	Utah
Mustang #1220-35I	Agency Draw	Fee	43-047-37287	NESE	35-12S-20E	Uintah	Utah
Mustang #1320-10I	Agency Draw	Fee	43-047-37291	NESE	10-13S-20E	Uintah	Utah
Mustang #1320-11H	Agency Draw	Fee	43-047-37295	SENE	11-13S-20E	Uintah	Utah
Mustang #1320-24E	Agency Draw	Fee	43-047-37298	SWNW	24-13S-20E	Uintah	Utah
Mustang #1320-14P	Agency Draw	Fee	43-047-37288	SESE	14-13S-20E	Uintah	Utah
Mustang #1320-13D	Agency Draw	Fee	43-047-37289	NWNW	13-13S-20E	Uintah	Utah
Mustang #1320-14D	Agency Draw	Fee	43-047-37296	NWNW	14-13S-20E	Uintah	Utah

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Slate River Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 418 E. Main Suite 18 CITY Vernal STATE UT ZIP 84078		7. UNIT OR CO-AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1787' FNL & 2108' FEL QTRQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 6 13S 21E		8. WELL NAME AND NUMBER: UINTAH OIL ASSOC. 1321-6G
PHONE NUMBER: (435) 781-1874		9. API NUMBER: 43-047-36370
		10. FIELD AND POOL, OR WILDCAT: Wildcat
		COUNTY: Uintah
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 4/20/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Rod Pump Test
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1/25/07 - 2/6/07 MIRU Peak Well Service, Tag heavy scale. Spotted 275 gals Champion Chemical Gypton TC-40 to EOT. Swab to recover chemical. RIH w/Rod string. MIRU Weatherford pumping unit.
 2/7/07- Begin Pump Test.
 3/21/07 - Weatherford replaced entire pumping unit system due to repeated & multiple problems.
 4/16 - 4/19/07 Pump test completed. MIRU Rig to remove rod pump string. RIH w/ production tubing, EOT @ 7218'.
 4/20/07 - RDMO Rig.

RECEIVED

MAY 30 2007

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>Lucy Nemec</u>	TITLE <u>Sr. Operations Specialist</u>
SIGNATURE <u>Lucy Nemec</u>	DATE <u>5/29/2007</u>

(This space for State use only)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Slate River Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 418 E. Main Suite 18 CITY Vernal STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1787' FNL & 2108' FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 6 13S 21E		8. WELL NAME and NUMBER: UINTAH OIL ASSOC. 1321-6G
PHONE NUMBER: (435) 781-1874		9. API NUMBER: 4304736370
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Wildcat
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/22/2007	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Equip to Rod Pump
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

1/25 - 10/22/07

1/25/07 - 2/6/07 MIRU Peak Well Service, Tag heavy scale. Spotted 275 gals Champion Chemical Gypton TC-40 to EOT. Swab to recover chemical. RIH w/Rod string. MIRU Weatherford pumping unit.
2/7/07- Begin Pump Test.
3/21/07 - Weatherford replaced entire pumping unit system due to repeated & multiple problems.
4/16 - 4/19/07 Pump test completed. MIRU Rig to remove rod pump string. RIH w/ production tubing, EOT @ 7218'.
4/20/07 - RDMO Rig.
9/3/07 - Stubbs & Stubbs building pad for pumping unit.
10/4/07 - 10/15/07 - MIRU Nabors Rig #814. Spotted HCL Acid w/ additives to remove hard scale, treated well w/scale inhibitor. RIH w/ rod string, tested tbg & pump to 1000 psi. EOT @ 7497'. RD & MOL.
10/15 - 10/22 Install permanent pumping Unit. Started PU @ 2:00 p.m., 10/22/07.

NAME (PLEASE PRINT) Lucy Nemec TITLE Sr. Operations Specialist
SIGNATURE *Lucy Nemec* DATE 12/11/2007

(This space for State use only)

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DEC 13 2007

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 15

AMENDED REPORT ☒
Original Filing Date: 05/31/2007

DESIGNATION OF WORKOVER OR RECOMPLETION

1. Name of Operator Slate River Resources, LLC	2. Utah Account Number N 2725	5. Well Name and Number Uintah Oil Association 1321-6G
3. Address of Operator 418 E. Main, Ste 18 CITY Vernal STATE UT ZIP 84078	4. Phone Number (435) 781-1874	6. API Number 4304736370
9. Location of Well Footage : 1787' FNL 2108' FEL QQ, Section, Township, Range: SWNE 6 13S 21E		7. Field Name Wildcat 8. Field Code Number
County : Uintah State : UTAH		

COMPLETE ALL SECTIONS. ATTACH ADDITIONAL SHEETS IF NEEDED.

10. TYPE OF WORK (Check all that apply) <input checked="" type="checkbox"/> Production enhancement <input type="checkbox"/> Recompletion <input type="checkbox"/> Convert to injection <input type="checkbox"/> Repair well	11. WORK PERIOD Date work commenced 01/25/2007 Date work completed 10/22/2007
---	---

12. THE FOLLOWING EXPENSES FOR OPERATIONS ARE SUBMITTED FOR DESIGNATION AS WORKOVER OR RECOMPLETION EXPENSES:

	Expenses	Approved by State
a. Location preparation and cleanup	\$ 6,517.00	
b. Move-in, rig-up, and rig-down (including trucking)	11,241.00	
c. Rig charges (including fuel)	80,468.00	
d. Drill pipe or other working string		
e. Water and chemicals for circulating fluid (including water hauling)	21,817.00	
f. Equipment purchase		
g. Equipment rental	40,792.00	
h. Cementing		
i. Perforating		
j. Acidizing		
k. Fracture stimulation		
l. Logging services		
m. Supervision and overhead	28,943.00	
n. Other (itemize)		
Trucking	8,213.00	
Water Disposal	665.00	
Misc Suplies	434.00	
o. Total submitted expenses	\$ 199,090.00	
p. Total approved expenses (State use only)		\$

13. LIST CONTRACTORS PROVIDING SERVICES VALUED AT MORE THAN \$3,000.

Contractor	Location (City, State)	Services Provided
TF Consulting	Roosevelt UT	Supervision - Consultant
Nabors Oil Tools	Roosevelt UT	Completion Rig
Weatherford Artificial	Vernal UT	Pumping Unit Rental

14. LIST WORKING INTEREST OWNERS WHO TAKE PRODUCT IN KIND AND ARE AUTHORIZED TO SHARE IN THE TAX CREDIT.

Name	Address	Utah Account No.	Percent of Interest

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Lucy Nemec

TITLE Sr. Operations Specialist

SIGNATURE 

DATE 05/31/2007

(5/2000)

RECEIVED

DEC 13 2007

DIV. OF OIL, GAS & MINING

DESIGNATION OF WORKOVER OR RECOMPLETION
FORM 15 - attachment

UOA 1321-6G - Equip to Pump

13. List Contractors Providing Services Valued at More Than \$3000 Continued

<u>Contractor</u>	<u>City</u>	<u>State</u>	<u>Services Provided</u>
Cutters Wireline	Vernal	UT	Fishing Services
Magnum Water Serv	Vernal	UT	Water/Hauling
Graco Fishing & Rental Tools	Vernal	UT	Foam Unit Rental
Ron Jenkins Trucking	Duchesne	UT	Haul Tanks and Pump
Champion Technologies	Vernal	UT	Chemicals
K R Fishing & Rental	Rangely	CO	Power Swivel Rental
Howcroft Field Services	Vernal	UT	Rig Move / trucking
Stubbs & Stubbs Oilfield	Vernal	UT	Location Prep
R & W Rental, Inc.	Grand Junction	CO	Foam Unit
Dalbo, Inc.	Vernal	UT	Tank Rental

UOA 1321-6G RJ

<u>State</u> <u>Codes</u>	<u>Gross amount</u>	<u>Account</u>	<u>Acct name</u>	<u>Vendor</u>	<u>Description</u>	<u>AP Invoice</u>	<u>Occur date</u>
m	\$1,221	11.8200.001	ICC Operating Fee		Recompletion Overhead Jan 26 - January 31,2007		1/31/2007
m	\$1,244	11.8200.001			Completion OH 02/01/07-02/06/07		2/28/2007
m	\$221	11.8200.001			Overhead 8/31		
m	\$882	11.8200.001			OVERHEAD 9/1-9/4		
m	\$2,647	11.8200.001			OVERHEAD 10/4-10/15		
	\$6,215	11.8200.001 Total					
m	\$40	11.8200.002	ICC Company Labor & Exp	Mort's Car Wash Inc		30107	2/28/2007
m	\$35	11.8200.002		UBET Wireless		377846	10/31/2007
m	\$355	11.8200.002		Mort's Car Wash Inc	Clark Batty's truck - fuel	103107	10/31/2007
	\$430	11.8200.002 Total					
m	\$454	11.8200.004	ICC Supervision (Company)		J Conley Supervision		2/9/2007
m	\$476	11.8200.004			Clark Batty 2/07 Payroll Billed Out to Properties		2/28/2007
m	\$37	11.8200.004		Enterprise Fleet Services	02/28 Lease Unit LLF458 CLARK BATTY	22107240602	2/21/2007
m	\$2,297	11.8200.004			Supervise Install PU		10/31/2007
	\$3,263	11.8200.004 Total					
m	\$1,575	11.8200.006	ICC Supervision-Comp	T.F. Consulting	Supervised equipment move	177	1/26/2007
m	\$4,088	11.8200.006		T.F. Consulting	Well supervision 1/29/07 thru 02/02/07	178	2/2/2007
m	\$2,430	11.8200.006		T.F. Consulting	Well supervision	179	2/9/2007
m	\$2,430	11.8200.006		T.F. Consulting	Well supervision 10/01-05/07	211	10/5/2007
m	\$6,075	11.8200.006		T.F. Consulting	Well supervision - 10/08-12/07	212	10/12/2007
m	\$2,430	11.8200.006		T.F. Consulting	Well supervision & return of files	213	10/17/2007
	\$19,028	11.8200.006 Total					
e	\$3,109	11.8200.007	ICC Completion Fluids	Magnum Water Service		2639	1/30/2007
e	\$713	11.8200.007		Magnum Water Service		2686	2/6/2007
e	\$739	11.8200.007		Big Red Hot Oil Service II Inc		4821	2/21/2007
e	\$1,502	11.8200.007		Magnum Water Service		2732	2/21/2007
e	\$807	11.8200.007		Magnum Water Service	Completion fluids	4346	10/12/2007
e	\$428	11.8200.007		Magnum Water Service	Completion fluids	4318	10/4/2007
e	\$807	11.8200.007		Magnum Water Service	Completion fluids	4346	10/12/2007
e	\$428	11.8200.007		Magnum Water Service	Completion fluids	4318	10/4/2007
	\$8,531	11.8200.007 Total					

<u>Codes</u>	<u>Gross amount</u>	<u>Account</u>	<u>Acct name</u>	<u>Vendor</u>	<u>Description</u>	<u>AP Invoice</u>	<u>Occur date</u>
c	\$109	11.8200.009	ICC Fuel	Western Petroleum	Fuel	104602-IN	10/11/2007
c	\$1,220	11.8200.009		Western Petroleum	Fuel	107431-IN	11/1/2007
	\$1,329	11.8200.009 Total					
e	\$588	'11.8200.010	ICC Water/Water Hauling	Magnum Water Service	Water hauling	4318	10/11/2007
e	\$1,115	'11.8200.010		Advantage Oilfield Service		4106	1/30/2007
e	\$190	'11.8200.010		Magnum Water Service		2639	1/30/2007
e	\$1,450	11.8200.011		Magnum Water Service	Transport Fluids to UOA 1321-6G	2639	1/30/2007
	\$3,343	'11.8200.010 Total					
n	\$4,940	11.8200.011	ICC Transportation/Trkg	Weatherford Artifical Lift Sys	Move unit from UOS 1321-9P to UOA 1321-6G	3423393RI	1/22/2007
n	\$1,018	11.8200.011		Howcroft Field Service Inc.	Move flow back unit from 9L to 6G	8505	1/30/2007
n	\$756	11.8200.011		H&H Versatile Services, Inc.		6174	2/1/2007
n	\$750	11.8200.011		H&H Versatile Services, Inc.	Hot shot services	9805	10/9/2007
n	\$750	11.8200.011		H&H Versatile Services, Inc.	Hot shot services	8262	10/8/2007
	\$8,213	11.8200.011 Total					
e	\$9,943	11.8200.012	ICC Mud & Chemicals	Champion Technologies	Gypton TC-40, Drum	90509171	2/2/2007
	\$9,943	11.8200.012 Total					
c	\$4,870	11.8200.013	ICC Completion Rig	Nabors Oil Tools	Rig 1/31/07	031-101636	1/31/2007
c	\$19,439	11.8200.013		Nabors Oil Tools	Rig 2/01/07 thru 2/06/07	031-101636	2/6/2007
c	\$20,750	11.8200.013		Nabors Oil Tools	Rig 1/24/07 thru 1/30/07	31-101615	1/30/2007
c	\$6,995	11.8200.013		Nabors Oil Tools	Completion rig 10/04-05/07	31-102368	10/5/2007
c	\$27,085	11.8200.013		Nabors Oil Tools	Completion rig	31-102382	10/13/2007
	\$79,139	11.8200.013 Total					
b	\$1,480	11.8200.011		Howcroft Field Service Inc.	Haul trailer	8485	1/22/2007
b	\$3,060	11.8200.011		Ron Jenkins Trucking	Haul tanks and pump	133	1/28/2007
b	\$1,295	11.8200.011		Howcroft Field Service Inc.	Haul tanks to new location	9179	10/3/2007
b	\$2,960	11.8200.011		Howcroft Field Service Inc.	Hauled tank and pump to Roosevelt yard	9209	10/15/2007
b	\$2,446	11.8200.011		Dalbo, Inc.	Haul tanks from location	348277	10/12/2007
	\$11,241	11.8200.013 Total					
a	\$922	11.8200.026	ICC Prep/Cleanup Loc Pits R	Stubbs & Stubbs Oilfield Cons	Build location	6176	9/4/2007
a	\$3,097	11.8200.026		Stubbs & Stubbs Oilfield Cons	Build location	6176	8/31/2007
a	\$13	11.8200.026		National-Oil Well	Paint marking	99734927	8/29/2007
a	\$1,200	11.8200.026		Stubbs & Stubbs Oilfield Cons	Blade snow from loc & roads	5734	1/23/2007
a	\$1,285	11.8200.026		Benco Oil Services, Inc.	Test anchors	A07-124	1/23/2007

<u>Codes</u>	<u>Gross amount</u>	<u>Account</u>	<u>Acct name</u>	<u>Vendor</u>	<u>Description</u>	<u>AP Invoice</u>	<u>Occur date</u>
	\$6,517	11.8200.026	Total				
n	\$203	11.8200.028	ICC Misc. Parts & Supplies	Marta-Co Supply Inc.		17955-IN	2/5/2007
n	\$12	11.8200.028		Marta-Co Supply Inc.		18343-IN	2/13/2007
n	\$44	11.8200.028		Marta-Co Supply Inc.		18430-IN	2/14/2007
n	\$7	11.8200.028		Triangle Parts, Inc.	Bolts, washers	280393	10/11/2007
n	\$14	11.8200.028		Marta-Co Supply Inc.	Misc supplies	213299-IN	9/28/2007
n	\$14	11.8200.028		Marta-Co Supply Inc.	Misc supplies	213300-IN	9/28/2007
n	\$92	11.8200.028		Marta-Co Supply Inc.	Misc supplies	213886-IN	10/10/2007
n	\$46	11.8200.028		Simper Supply Inc.		168052	10/6/2007
	\$434	11.8200.028	Total				
g	\$5,883	11.8200.029	ICC Rent-Tools & Msc Equip	Graco Fishing & Rental Tools	Foam Unit	133515	2/1/2007
g	\$1,598	11.8200.029		K.R. Fishing & Rental Inc.	Bowen 2.5 Power swivel	1166	2/12/2007
g	\$483	11.8200.029		Weatherford Artifical Lift Sys		3469947RI	2/21/2007
g	\$4,741	11.8200.029		Weatherford Artifical Lift Sys		3469938RI	2/7/2007
g	\$961	11.8200.029		Dalbo, Inc.	Frac & flowback tanks	355283	1/31/2007
g	\$360	11.8200.029		Night Hawk Services	Mobilight w/Motor & Generator	1052	2/6/2007
g	\$1,025	11.8200.029		Dalbo, Inc.	Frac tanks	335992	2/28/2007
g	\$6,683	11.8200.029		Weatherford Artifical Lift Sys	Tieben Pumping Unit	3469939RI	2/14/2007
g	\$641	11.8200.029		Dalbo, Inc.	Frac/Flowback tanks	335991	2/6/2007
g	\$220	11.8200.029		CL Contracting, LLC	Trailer used for transporting	1163	10/19/2007
g	\$1,496	11.8200.029		Baker Hughes	Retrievamatic rental	92514197	10/3/2007
g	\$1,299	11.8200.029		K.R. Fishing & Rental Inc.	Power swivel rental	1419	10/7/2007
g	\$575	11.8200.029		Night Hawk Services	Mobilight light-light plant rental 10/04-12/07	1107	10/12/2007
g	\$4,704	11.8200.029		R & W Rental, Inc.	Foam unit	102204	10/8/2007
g	\$2,094	11.8200.029		Nabors Oil Tools	BOP rental & misc parts	176-000555	10/12/2007
g	\$2,306	11.8200.029		Dalbo, Inc.	Frac and flowback tank rentals	348277	10/12/2007
g	\$5,725	11.8200.017		Cutters Wireline Service Inc	Pressure equipment, free point indicator, circulating	9812	4/3/2007
	\$40,792	11.8200.029	Total				
e	\$7	11.8200.033	Communications	UBET Wireless		324842	2/28/2007
	\$7	11.8200.033	Total				
n	\$665	11.8200.035	ICC Water Disposal	Magnum Water Service		2686	2/6/2007
	\$665	11.8200.035	Total				
	\$199,089		Grand Total				

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

2. CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

2/21/2008

FROM: (Old Operator):

N2725-Slate River Resources, LLC

418 E Main, Suite 18

Vernal, UT 84078

Phone: 1 (435) 781-1874

TO: (New Operator):

N1675-Mustang Fuel Corporation

13439 Broadway Ext.

Oklahoma City, OK 73114-2202

Phone: 1 (405) 748-9487

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 3/28/2008
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 3/18/2008
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 4/28/2008
- a. Is the new operator registered in the State of Utah: Yes Business Number: 1467562-0143
- b. If **NO**, the operator was contacted on: _____
- a. (R649-9-2) Waste Management Plan has been received on: _____ Requested
- b. Inspections of LA PA state/fee well sites complete on: n/a
- c. Reports current for Production/Disposition & Sundries on: _____
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM n/a BIA n/a
- Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a
- Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
- Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

- Changes entered in the **Oil and Gas Database** on: 4/28/2008
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 4/28/2008
- Bond information entered in RBDMS on: 4/28/2008
- Fee/State wells attached to bond in RBDMS on: 4/28/2008
- Injection Projects to new operator in RBDMS on: n/a
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

- Federal well(s) covered by Bond Number: n/a
 - Indian well(s) covered by Bond Number: n/a
 - a. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 400KB7078
 - b. The **FORMER** operator has requested a release of liability from their bond on: 4/18/2008 Disposal Facilities only
- The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 4/28/2008

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: Mustang Fuel Corporation N1675		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 13439 Broadway Extension CITY Oklahoma City STATE OK ZIP 73114-2202		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (405) 748-9487		8. WELL NAME and NUMBER: See attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached schedule of wells		9. API NUMBER: See attach
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT: See attached
COUNTY: Uintah		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 2/21/2008	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

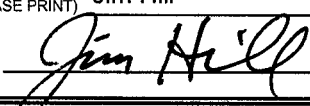
Mustang Fuel Corporation requests a change of operator from Slate River Resources, LLC to Mustang Fuel Corporation, effective February 21, 2008 for the wells and facilities listed on the attached schedule.

The bond numbers for Mustang Fuel Corporation are:

State of Utah DOGM Bond 400KB7078

State of Utah Bond of Lessee

Federal Utah Statewide Bond

NAME (PLEASE PRINT) Jim Hill	TITLE Operations Manager
SIGNATURE 	DATE 2/21/2008

(This space for State use only)

APPROVED 4128108

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED

MAR 18 2008

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
2. NAME OF OPERATOR: Slate River Resources, LLC <i>N2725</i>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 418 E. Main, Suite 18 CITY Vernal STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (435) 781-1874		8. WELL NAME and NUMBER: See attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See attached schedule of wells		9. API NUMBER: See attach
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		10. FIELD AND POOL, OR WILDCAT: See attached

COUNTY: Uintah

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>2/21/2008</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Slate River Resources, LLC requests a Change of Operator from Slate River Resources, LLC to Mustang Fuel Corporation on the wells listed on the attached schedule including a change of Operator for the AD Disposal Pit 1, AD Disposal Pit #2 and the Willow Creek Compressor facility effective 2/21/08.

NAME (PLEASE PRINT) <u>Lucy Nemec</u>	TITLE <u>Sr. Operations Specialist</u>
SIGNATURE <u><i>Lucy Nemec</i></u>	DATE <u>3/27/2008</u>

(This space for State use only)

APPROVED 4/28/08
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(5/2000)

(See Instructions on Reverse Side)

RECEIVED
MAR 28 2008
DIV. OF OIL, GAS & MINING

[illegible]

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

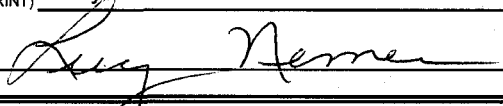
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: Fee
2. NAME OF OPERATOR: Slate River Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 418 E. Main Suite 18 CITY Vernal STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
PHONE NUMBER: (435) 781-1874		8. WELL NAME and NUMBER: UINTAH OIL ASSOC. 1321-6G
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1787' FNL & 2108' FEL		9. API NUMBER: 4304736370
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 6 13S 21E		10. FIELD AND POOL, OR WILDCAT: Wildcat
COUNTY: Uintah		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 7/16/2011	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Equip to Rod Pump
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

6/23/2011 - Begin preparing location for pumping unit.

7/12/11 - 7/15/2011 - MIRU Nabors Well Service, POOH w/ tbg, hole in tbg @ 5928'. Replace 64 joints of tbg. Replaced additional 50 jts of scaled off tbg. Set TAC w/15,000 Tension. NU WH. TIH w/ rods and rod pump. Test well to 1000 psi - held.
7/16/11 - RD and move off location - Start Pumping unit.

NAME (PLEASE PRINT) Lucy Nemec	TITLE Sr. Operations Specialist
SIGNATURE 	DATE 8/6/2011

(This space for State use only)

RECEIVED

OCT 11 2011

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: MUSTANG FUEL CORPORATION		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 418 East Main , Vernal , UT, 84078		8. WELL NAME and NUMBER: UINTAH OIL ASSOC 1321-6G
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1787 FNL 2108 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 06 Township: 13.0S Range: 21.0E Meridian: S		9. API NUMBER: 43047363700000
PHONE NUMBER: 405 748-9487 Ext		9. FIELD and POOL or WILDCAT: AGENCY DRAW
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 5/15/2015	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input checked="" type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Shut in effective 5/15/2015. Expectations are to plug well within the next 6 months.

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Date: June 04, 2015
By: *Angelia Duffy*

NAME (PLEASE PRINT) Angelia Duffy	PHONE NUMBER 405 748-9261	TITLE Operations Tech
SIGNATURE N/A	DATE 5/28/2015	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: FEE
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: MUSTANG FUEL CORPORATION		7. UNIT or CA AGREEMENT NAME:
3. ADDRESS OF OPERATOR: 418 East Main, Vernal, UT, 84078		8. WELL NAME and NUMBER: UINTAH OIL ASSOC 1321-6G
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1787 FNL 2108 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 06 Township: 13.0S Range: 21.0E Meridian: S		9. API NUMBER: 43047363700000
PHONE NUMBER: 405 748-9487 Ext		9. FIELD and POOL or WILDCAT: AGENCY DRAW
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/31/2015 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
1. MIRU Peak Well Service, ND WH, NU BOP. Unset TAC and POOH w/ tbq. 2. RIH w/ CIBP to +/- 6700' (Top of Sego). Set CIBP and spot 10 sks Cement on plug 3. PU workstring and RIH to +/- 5300'. Set the following plugs: a. 20 sks plug at Top of Mesaverde perms (+/- 5100-5300') b. 25 sks plug at Top of Wasatch (+/- 1900-2200') c. Cut casing at +/- 650' and spot 40 sks over cut d. Fill surface w/ 50 sks from 100-0'. 4. ND BOP Cut off wellhead. Install P&A Marker w/ cement. RDMO Peak Well Service. Cut Anchors.		
<p style="color: red; font-weight: bold;">Approved by the Utah Division of Oil, Gas and Mining</p> <p>Date: <u>October 06, 2015</u></p> <p>By: <u><i>Derek Duff</i></u></p> <p style="color: red; font-weight: bold;">Please Review Attached Conditions of Approval</p>		
NAME (PLEASE PRINT) Angelia Duffy		PHONE NUMBER 405 748-9261
SIGNATURE N/A		TITLE Operations Tech
DATE 8/20/2015		



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047363700000

- 1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.**
- 2. Add Plug #3: A 100' plug (± 10 sx) shall be balanced from $\pm 3100'$ to $3000'$. This will isolate the base of moderately saline groundwater as required by R649-3-24-3.3.**
- 3. Amend Plug #5: Plug should be set across shoe from $850'$ to $750'$ (10 sx). Note: cement circulated to surface on drilling reports. CBL does not look like casing will be free at $650'$.**
- 4. All balanced plugs shall be tagged to ensure they are at the depths specified in the procedure.**
- 5. All annuli shall be cemented from a minimum depth of $100'$ to the surface.**
- 6. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.**
- 7. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.**
- 8. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.**
- 9. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.**

Wellbore Diagram

r263

API Well No: 43-047-36370-00-00 Permit No: Well Name/No: UINAH OIL ASSOC 1321-6G
Company Name: MUSTANG FUEL CORPORATION
Location: Sec: 6 T: 13S R: 21E Spot: SWNE
Coordinates: X: 619330 Y: 4397372
Field Name: AGENCY DRAW
County Name: UINAH

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)	Capacity (ft/cf)
HOL1	805	12.25			
SURF	805	9.625	32		2.263
HOL2	7610	7.825			
PROD	7610	4.5	11.6		11.459
T1	7214	2.375			

9 5/8" x 4 1/2" → 3.017

100' Cement from 805 ft. to surface

Surface: 9.625 in. @ 805 ft.

Hole: 12.25 in. @ 805 ft.

* Amend Plug #5

* set across shoe for 850' to 750' (105x - 100' min)
NOTE: cement cure to surf on drilling reports.

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
PROD	7610	0	UK	1335
SURF	805	0	G	450

Plug #4

2200' (255x)(1.15)(11.459) = 329'

TOC @ 1900' OK

* Add Plug #3

(105x) 100' min for 3100' to 3000'

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
5285	7416			

Plug #2

(205x)(1.15)(11.459) = 262'

TOC @ 5100' OK

Formation Information

Formation	Depth
WSTC	2450
BMSW	3000
MVRD	4475
CSLGT	6799
MNCS	7068
BLKHK	7214

Plug #1

(105x)(1.15)(11.459) = 131'

TOC @ 6570' OK

Cement from 7610 ft. to surface

Tubing: 2.375 in. @ 7214 ft.

Production: 4.5 in. @ 7610 ft.

Hole: 7.825 in. @ 7610 ft.

TD: 7610 TVD: PSTD: 7564

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
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		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: UINTAH OIL ASSOC 1321-6G	
2. NAME OF OPERATOR: MUSTANG FUEL CORPORATION	9. API NUMBER: 43047363700000	
3. ADDRESS OF OPERATOR: 418 East Main , Vernal , UT, 84078	PHONE NUMBER: 405 748-9487 Ext	9. FIELD and POOL or WILDCAT: AGENCY DRAW
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1787 FNL 2108 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 06 Township: 13.0S Range: 21.0E Meridian: S	COUNTY: UINTAH	
		STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 11/10/2015			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU, unseat pump, LD rods, kill well w/ 100 bbls brine water, ND WH, NU BOP's, unset anchor, tbg twisted off @ 6280', LD 195 jts, PU work string & bit, run to 5316', POOH, RIH w/ cast iron cmt retainer, set retainer @ 5303', pump 75 sx below, sting out, spot 25 sx on top, pull to 3099', press test to 1300#, spot 10 sx cmt, pull to 2211', spot 25 sx, balance plug, pull to 856', spot 10 sx, balance plug, POOH, cut off csg head, fill surf w/ 60 sx to 150', weld on marker, back fill, well Plugged & Abandoned 11-10-15.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 November 12, 2015

NAME (PLEASE PRINT) Angelia Duffy	PHONE NUMBER 405 748-9261	TITLE Operations Tech
SIGNATURE N/A		DATE 11/11/2015